

BEFORE THE  
STATE OF NEW YORK  
PUBLIC SERVICE COMMISSION

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In the Matter of  
Central Hudson Gas & Electric  
Case 08-E-0887 and 08-G-0888  
November 2008

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Prepared Exhibits of Gas Safety  
Panel:

Christopher R. Stolicky  
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Office of Electric, Gas, & Water

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Office of Electric, Gas, & Water

State of New York  
Department of Public Service  
Three Empire State Plaza  
Albany, New York 12223-1350



From: Gas Safety Panel  
Requested of: Haering  
Date of Request: 9/30/2008

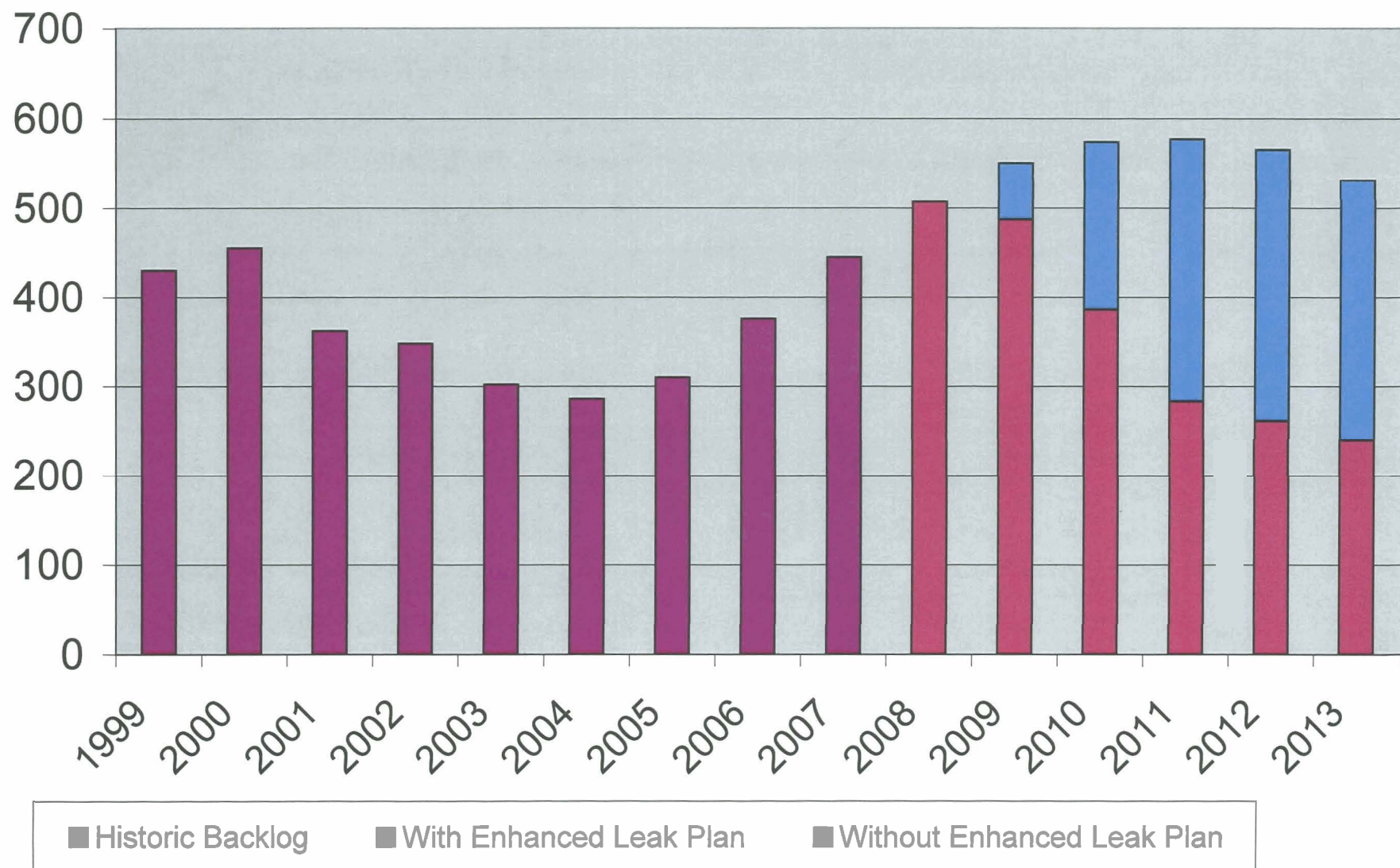
**Gas Safety Panel: For Central Hudson Witness Haering:**

491) The Company is asking for \$1.635 million in expense and \$250,000 in capital for its leak repair program. What annual year-end backlog level does it expect to obtain with this funding? Please specify the actual numerical target quantity of potential hazardous leaks the company expects to have.

**Response:**

Assuming an average rate of leak discovery of 576 leaks per year, funding for the leak repair program as proposed by the Company, and no increase in the average cost of a repair, the Company expects to obtain an annual year-end backlog of 240 by the end of 2013. This is portrayed in Staff IR 491 Attachment A. The Company has not projected an actual numerical target quantity of potential hazardous leaks.

Date of Response: 10/6/2008  
Response by: Haering



	1999	2000	2001	02	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
1					0	0	0	0	0						
2A					4	3	7	30	16						
2					26	11	20	33	38						
3					<u>272</u>	<u>272</u>	<u>283</u>	<u>313</u>	391						
<b>Historic Backlog</b>	430	455	362	48	302	286	310	376	445	507	550	574	577	565	531
With Enhanced Leak Plan										507	487	386	283	261	239
Without Enhanced Leak F	0	0	0	0	0	0	0	0	0	0	63	188	294	304	292



LDC: CHGE ▼

Damage data for calendar Year: 2008

Data Type:  Quarterly  Year-to-Date

Choose either "Quarterly Only" or "Year-to-Date" data type (above), then input the appropriate data in the green cells, below. eMail completed workbook no later than 30 days after close of quarter to [Christopher.Stolicky@dps.state.ny.us](mailto:Christopher.Stolicky@dps.state.ny.us)

Note: This workbook is located in T:\division\gaswater\safety\Performance Measures Data\Performance

**Input Table - 'Quarterly' Performance**

	Q1	Q2	Q3	Q4	YTD Total
One-Call Tickets	3,668	7,213	7,257		18,138
Mismarks	1	0	3		4
Co. & Co. Contractors	2	4	2		8
Third Party Negligence	2	3	13		18
No-Calls	2	7	5		14

<b>Total Damages</b>	7	14	23	0	44
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**Quarterly Performance Results**

	Q1	Q2	Q3	Q4	YTD Total
Mismarks	0.273	0.000	0.413	0.000	0.221
Co. & Co. Contractors	0.545	0.555	0.276	0.000	0.441
Third Party Negligence	0.545	0.416	1.791	0.000	0.992
No-Calls	0.545	0.970	0.689	0.000	0.772

<b>Total Damages</b>	1.908	1.941	3.169	0.000	2.426
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LDC:  ▼

Damage data for calendar Year:

Data Type:  Quarterly Only  Year-to-Date

Choose either "Quarterly Only" or "Year-to-Date" data type (above), then input the appropriate data in the cells, below. eMail completed workbook no later than 30 days after close of quarter to

[Christopher\\_Stolicky@dps.state.ny.us](mailto:Christopher_Stolicky@dps.state.ny.us)

Note: This workbook is located in F:\Performance Measures folder.

**Input Table - 'Quarterly' Performance**

	Q1	Q2	Q3	Q4	YTD Total
One-Call Tickets	3,745	8,273	7,295		19,313
Mismarks	2	4	5		11
Co. & Co. Contractors	1	1	5		7
Third Party Negligence	8	12	18		38
No-Calls	3	8	9		20

<b>Total Damages</b>	14	25	37	0	76
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**Quarterly Performance Results**

	Q1	Q2	Q3	Q4	YTD Total
Mismarks	0.534	0.484	0.685	0.000	0.570
Co. & Co. Contractors	0.267	0.121	0.685	0.000	0.362
Third Party Negligence	2.136	1.451	2.467	0.000	1.968
No-Calls	0.801	0.967	1.234	0.000	1.036

<b>Total Damages</b>	3.738	3.022	5.072	0.000	3.935
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From: Gas Safety Panel  
Requested of: Haering  
Date of Request: 9/30/2008

**Gas Safety Panel: For Central Hudson Witness Haering:**

- 490) For the proposed steel service replacement program, please:
- a. Provide a complete list of all services, with addresses, that would fall under this program that have been replaced for each calendar year 2005, 2006, 2007, and through June 30, 2008.
  - b. Fully explain the work procedures for this program.
  - c. Explain how the cost for a service line replacement under this program differs from that of a typical service line replacement, both to a reactive condition and a proactive/planned replacement.
  - d. Verify that every meter set will be moved outside under this program. If not, please explain each condition why the meter set would not be moved outside.
  - e. Verify whether this program only addresses the portion of the service that goes through the building wall, is a replacement of the entire service, or something in between? Please fully explain.
  - f. Provide a complete list of criteria used to identify and rank services for replacement.
  - g. Provide the planned quantities to be replaced and associated costs in each year of the five year program.

**Response:**

- a. Information enabling answers to this question is not currently tracked and is therefore unavailable for the specified time period.
- b. The 1500 locations will be identified and prioritized for replacement based on the criteria detailed in part (f.) of the response below. These locations will be addressed as follows:

At locations that have been identified for service replacement, services will be replaced in their entirety with plastic pipe, excess flow valves will be installed as required and appropriate, and the service regulator and meter sets will be relocated to the outside of buildings except as noted below in part (d.) of the response. As part of the identification of these services, we will also be reviewing the condition and leak history of the main and may replace the main as warranted.

Central Hudson will also be investigating technologies that allow safe live insertion of an excess flow valve for potential use in the limited applications where the steel services are of a newer vintage and have been cathodically protected. The excess flow valve would be installed from inside the building using manufacturer recommended work procedures. In these cases, no other changes will be made to the site and the service regulator and meter sets will remain inside.

- c. The cost for a service line replacement under this program is projected to be significantly less than the cost to replace a service under reactive conditions. The current pro-active or planned replacement program targets only service lines attached to mains being replaced as part of a planned distribution improvement project. This program, targeting only service lines, is expected to have slightly lower unit costs than the current service replacement costs, due to crew specialization as well as the potential for live insertion of excess flow valves in some lines, which would preclude trenched or inserted replacement of the line.

This program is in addition to the distribution main replacement program and the associated services being replaced as part of the distribution improvement main replacement program.

- d. For services supplied with pressures greater than 15 psig, the service regulator and meter will be located outside without exception. All meters supplied by services affected by this program will be moved outside except as follows:
  - a. When there is no safe location for an outdoor meter and regulator set.
  - b. When moving the meter outside will materially impact the visual look of an historical building that is under the authority of local ordinance.
  - c. When significant individual customer concerns are raised and continued satisfactory access to the indoor location is ascertained.
- e. The program will result in either replacement of the entire service or installation of an excess flow valve in the service line as described in part (b.) of this response.
- f. Services will be identified and ranked as follows:

Selection criteria:

  - a. Services on systems operating at pressures greater than 14 inches water column and
  - b. Services comprised entirely of metallic pipe and
  - c. Services supplying indoor meter sets and
  - d. Services not currently protected by an excess flow valve.

Ranking criteria:

  - a. Operating pressure
  - b. Age and cathodic protection status
  - c. Services not involved in a forecasted main replacement project

Central Hudson Gas & Electric Corporation  
Case Nos. 08-E-0887 & 08-G-0888  
Response to Staff Information Request No. 490

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<u>Year</u>	<u>Number Services</u>	<u>Installation</u>	<u>Removal</u>
2009	185 services	\$511,000	\$102,000
2010	185 services	\$522,000	\$104,000
2011	370 services	\$1,067,000	\$213,000
2012	370 services	\$1,089,000	\$218,000
2013	370 services	\$1,112,000	\$222,000

Date of Response: 10/9/2008  
Response by: Haering