Progress Energy Carolinas
Response to NCUC & Public Staff Data Request No. 1
December 4-13, 2002 Ice Storm
January 15, 2003

General Operation and Maintenance

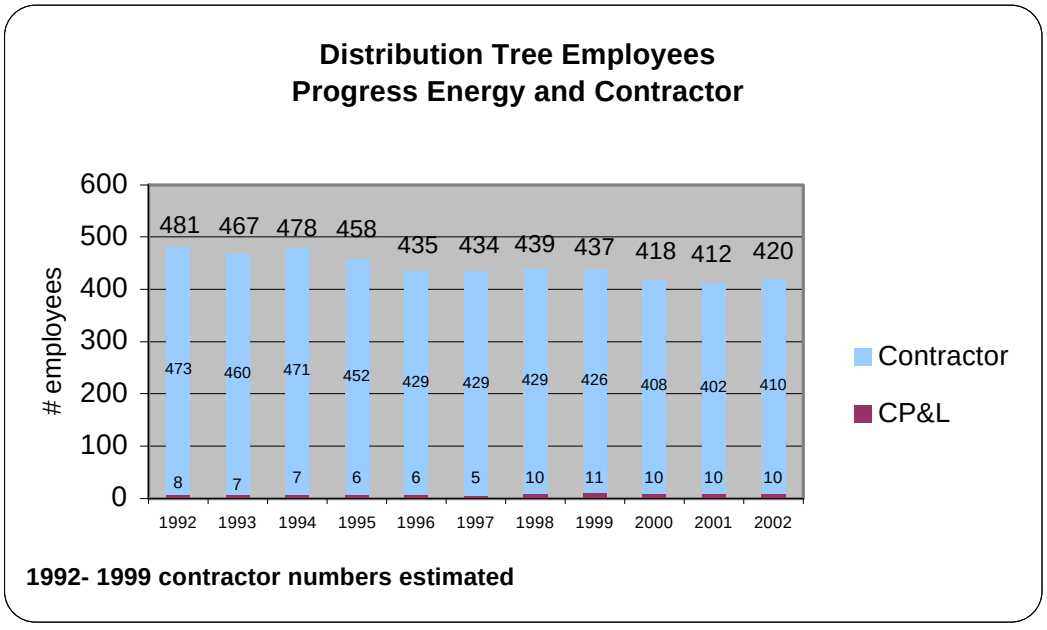
1. Please provide the number of your company's distribution employees assigned (a) to tree trimming, and (b) to line repair and maintenance other than tree trimming, for each year from 1992 until the present. Include individuals under contract as well as direct employees.

Answer

(a) Distribution – Tree

The number of Progress Energy employees who have a role in distribution vegetation management has increased from 8 in 1992 to 10 in 2002. The system forester and 4 region foresters are responsible for the development, implementation, and high-level oversight of the yearly vegetation-management plan. In addition, inspectors are responsible for inspection and day-to-day management of contractor tree work.

All of the distribution tree work on the Progress Energy system is performed by approximately 410 contractor employees. The actual number varies depending on seasonal work such as herbicide application, new construction, system improvement, as well as special projects such as danger tree removal. The total number of employees has decreased since 1992; however, we have maintained the quality of vegetation management services for our customers through the increased use of mechanized tree-trimming equipment, and herbicide application. (See chart below.) In addition, there has been a general increase in underground construction in lieu of overhead. Overhead miles of line increased by 3% from 1996 through 2002, while during the same period underground increased by 54%.

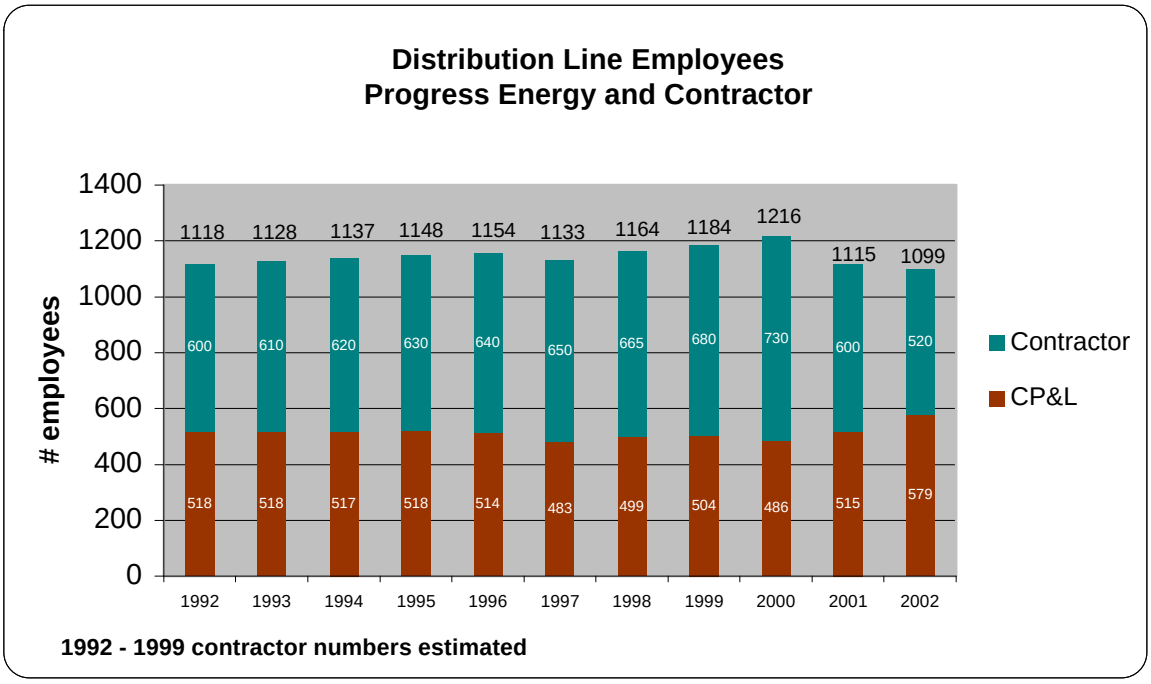


(b) Distribution Line Repair and Maintenance – Progress Energy Line and Service

The total number of Progress Energy line and service personnel has increased from 518 in 1992 to 579 in 2002. (See attached chart in this response.) This increase in personnel has also been complemented by a significant increase in enabling technology such as the installation of laptop computers in service trucks to increase productivity, a computerized outage-management system, and outage location identification utilizing fault current analysis. The combination of this technology minimizes troubleshooting time, expediting line and service resources to the site needing repairs. Progress Energy has also enhanced the line and service vehicle fleet with more service bucket trucks, material handlers and specialized equipment.

(b) Distribution Line Repair and Maintenance – Contractor

Distribution line contractor employees are primarily concentrated on new construction work. The total number of distribution line contractor employees has been reduced from a high of 730 personnel in November 2000 to 520 personnel in December 2002. This reduction has been a direct result of a decrease in the amount of new construction reflecting the general economic downturn and Progress Energy's adding additional company linemen during this time. However, we have emergency response contracts in place, with 36 on-system and off-system distribution contractors, enabling the contractors to respond to our needs. (See chart below)

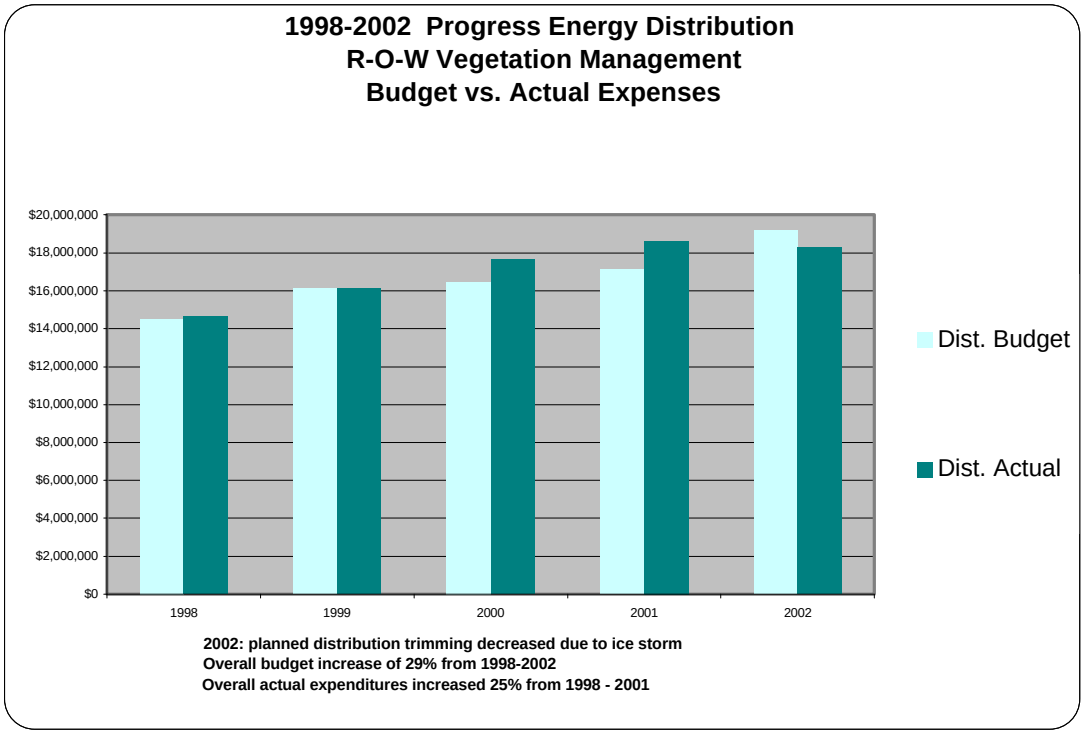


2. Please provide your company's budgeted amounts and actual expenditures for (a) tree trimming, and (b) line repair and maintenance other than tree trimming, for each year from 1992 until the present.

Answer

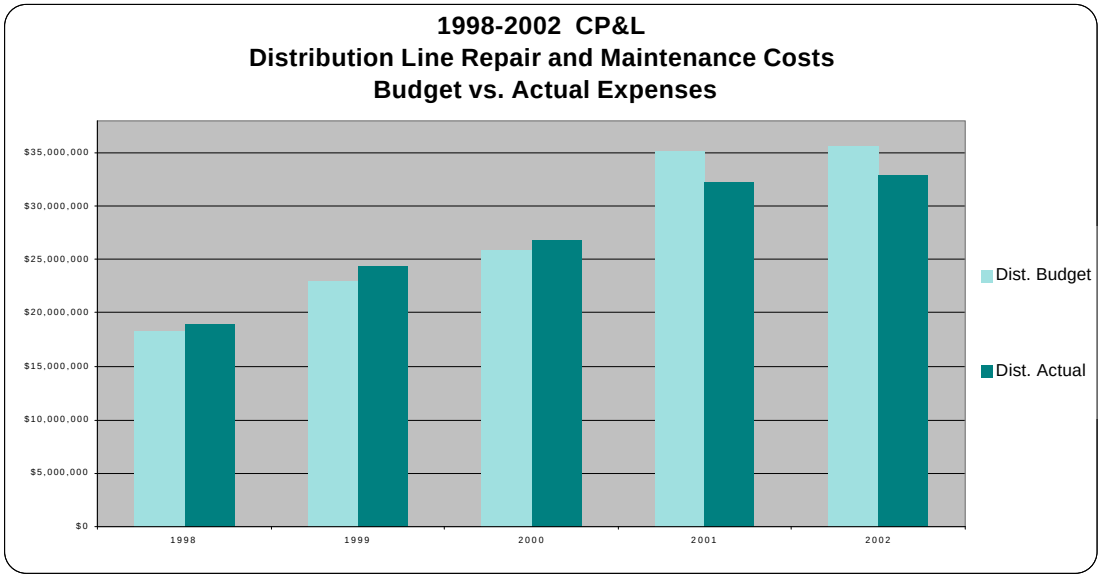
(a) Distribution – Tree

The increase in budgeted and actual expenses for distribution vegetation management from 1998-2002 is presented in chart below. The budget and expenses includes all costs



such as company labor, vehicles, mileage, contractor incentives and penalties, contractor labor and equipment, herbicides, tree growth regulators and all other costs associated with vegetation management. (Data prior to '98 not available.)

(b) Distribution- Line and Service (See chart below.)



1) Notes: Costs include overhead and underground line repair and maintenance expenditures. Excluded costs include: ROW Maintenance, Major Storm Restoration costs and system improvement functions which help to balance system load as well as reliability concerns.
2) 2002 actual amounts are estimates and may change slightly as we finalize our financials in January 2003.

3. How many tree trimming personnel, and how many line and service personnel, has your company laid off since December 1992? Please comment on how your company's ability to restore electric service following the recent ice storm was affected by these layoffs, or by layoffs of any other company employees during this period.

Answer

There has been no general layoff of either tree pruning or line and service personnel since December 1992. Our contractor workforce varies based on workload. Our overall ability to restore service has been significantly improved since 1992 through additional Progress Energy line and service personnel, better technology, more vehicles and better equipment, and a meticulous storm plan that is refined after each implementation. (See charts in Question 1 response.)

4. Please describe your company's policies on tree trimming in rights of ways for both transmission and distribution lines. Describe any changes or modifications to these policies over the last five years, and any changes you are currently implementing. If any municipalities have ordinances that deviate from your company's policies on tree trimming, please identify these municipalities, and discuss the impact these ordinances had on the number and severity of customer outages resulting from fallen trees or limbs in the recent ice storm.

Answer

Distribution

In general, pruning outside the urban/metro areas is on a four-year cycle, and the actual clearance obtained on individual trees depends on tree species, growth rate and growth characteristics.

Progress Energy's general policy on distribution tree trimming is included in the "Progress Energy Distribution Overhead Construction Specifications" Section 9 Clearances, drawings 09.05-01 through 09.05-06. (See Attachment 4.) Generally, it is our practice to trim trees within 15 feet of either side of the distribution lines.

The Progress Energy policy for tree clearing is to prune major urban/metro areas on a two-year cycle. This includes Asheville, Wilmington and the Raleigh-Cary-Garner metro area, where ordinances or formal agreements limit the clearance. In addition to written ordinances or formal agreements with specified distances, there are numerous cities and towns that have tree commissions or tree boards. In these areas, we have agreed to work with them to reduce the visual impact of our pruning practices, but Progress Energy is not bound to specified clearance limits. Following is a list of some of the communities that have tree boards, or ordinances that do not have a specified pruning clearance (Snow Hill, Goldsboro, Southern Pines, Black Mountain, Weaverville, Montreat, and in South Carolina, Darlington, Marion and Society Hill.)

Where municipalities limit our desired right of way pruning clearance, we compensate somewhat by pruning more often – i.e., every 2 years. However, restrictions in our right of way pruning width did have a negative impact on the number and severity of certain outages in the recent ice storm.

Progress Energy distribution vegetation management practices are continually monitored to ensure a continued safe, efficient and effective tree-trimming program. Since 1998, the most significant change in our pruning policy was to implement the use of mechanized equipment in rural areas. The use of mechanized equipment increases productivity while increasing the safety for employees who would have historically had to manually climb and prune individual trees.

Transmission

The transmission right of way management program integrates tree pruning, danger tree cutting, right of way mowing and herbicides as established under "best management

practices" for utility rights of way. See attached "Right of Way Maintenance Standards" for transmission, Attachment 4.

Maintenance standards are reviewed annually, and no significant modifications have been made in the last five years. Future changes are anticipated to increase the use of herbicides to improve safety, storm response (right of way access) and cost effectiveness.

5. With regard to the possibility of placing existing overhead electric distribution or transmission lines underground, please discuss (a) the extent to which undergrounding would be practical, (b) the costs of undergrounding, and (c) the extent to which undergrounding would, in your judgment, reduce or increase the frequency of outages. Do you have a standard written policy governing the method of recovering costs incurred when a North Carolina municipality directs your company (by ordinance or otherwise) to place existing lines underground, or is this addressed on a case-by-case basis?

(a) the extent to which undergrounding would be practical

Answer

Progress Energy's tariffs provide for the conversion of overhead distribution facilities (but not transmission) to underground. Historically, most conversions have been done for aesthetic reasons, not to improve reliability, and there are a number of comprehensive factors to be considered in determining the extent to which underground would be practical.

Progress Energy Carolinas has approximately 33,600 miles of existing overhead primary distribution lines and 10,400 miles of overhead secondary distribution lines. Since 1967, approximately 10,300 miles of underground primary lines and 5,800 miles of underground secondary lines have been installed.

From an engineering, operations and construction perspective, the following **are** practical:

- Conversion of individual services on a customer's property upon customer request;
- Conversion of areas that have been "built out" and significant development is not expected;
- Conversion of existing areas being developed where the developer can provide a reliable plan for development, such that future costly rework is minimized.

From an engineering, operations and construction perspective, the following **are not** practical:

- Wholesale conversion of the entire distribution system;
- Converting primary lines in undeveloped areas with high potential for future growth, such that future costly rework will be required.
- Crossing wetlands, interstate highways, rivers, etc., due to permitting, environmental and engineering design requirements.

Overhead systems are very adaptable. They can be easily upgraded and extended at a lower cost. Underground systems are more limited and cost significantly more to upgrade or extend.

(b) the costs of undergrounding

Answer

Estimated conversion cost for primary lines vary from $80,000 per mile (rural single-phase primary) to $2.4 million per mile (three-phase urban) depending upon type and location of the facilities. Estimated conversion costs for a service drop to a customer's premise range from $850 to $2,100 per drop, depending upon location and length. Based on industry estimates of typical conversion costs, the cost to convert the entire Progress Energy Carolinas system to underground could be as much as $17.3 billion.

(c) the extent to which undergrounding would, in your judgment, reduce or increase the frequency of outages.

Answer

The difference in reliability between overhead and underground systems is not readily available, because the distribution system is a hybrid of overhead and underground systems in series. Outage reporting at Progress Energy is not structured to clearly distinguish the performance of underground versus overhead systems.

Comparison of outages per mile for overhead versus underground shows underground to be marginally better in terms of outage frequency. However, as underground systems age, the frequency of interruptions increases.

Overhead systems have a high exposure to wind-blown objects, trees, public interference and ice loading, and the life span of overhead systems is not significantly affected by aging and lightning. Underground systems will have increased outage duration due to time required for fault locating, switching and repair times, and the frequency of outages will continue to increase over time due to aging of the underground cable. Lightning events reduce the life span of underground cable, either through direct or indirect strikes and UG cable is more susceptible to dig-ins, which can result in service interruptions.

Underground systems typically experience lower frequency and duration of outages during storm conditions, because they are less susceptible to damage caused by wind, trees and ice loading. However, underground systems experience an increase in the duration and frequency of outages caused by flooding that occurs with hurricanes or significant precipitation events.

(d) do you have a standard written policy governing the method of recovering costs incurred when a North Carolina municipality directs your company (by ordinance or otherwise) to place existing lines underground, or is this addressed on a case-by-case basis?

Answer

Yes. (See Appendix -Attachment # 5 is a copy of our Line Extension Plan E.)

In conclusion, conversion to underground distribution facilities is practical in certain situations. However, conversions are very costly, require a strategy for financing and maintenance, and represent a significant financial burden. Reliability would improve for localized groups of customers willing and able to pay for conversions, but would be negligible on the system level.

General Storm Response

6. Please discuss the differences in emergency procedures, emergency preparedness, emergency deployment practices, and line construction between your company and power companies located north of North Carolina and Virginia. If there are any measures that have been adopted by these more northern utilities and could reduce the vulnerability of North Carolina electric systems to disruption in winter storms, without excessive costs (either costs to your company or societal costs), please identify such measures.

Answer

Progress Energy participates in various industry groups, including the Edison Electric Institute (EEI) and the Southeastern Electric Exchange (SEE), and routinely discussed such issues as distribution line construction and emergency preparedness and response. Generally, emergency procedures, preparedness and deployment practices are similar among utilities. Differences relate more to individual utility circumstances (terrain, weather patterns, etc.) and the utilities' commitment to planning, continual review, drills and actual experience. An in-depth review of each company's practices would be required to ascertain specific detail as to differences. Progress Energy (CP&L) has been recognized several times by its peers for its outstanding emergency preparedness and response to major storms.

Regarding construction practices, all utilities construct and maintain lines to national Electrical Safety Code standards. Northern utilities are in a National Electrical Safety Code heavy ice load district and must design conductor and pole strengths for 1/2-inch ice loading. Eastern Virginia and North Carolina are in a National Electrical Safety Code medium ice load district and must design conductor and pole strengths for at least 1/4-inch ice loading.

7. Do you anticipate that the rate freeze provisions of the recently adopted Clean Smokestacks Bill may in any way reduce your company's incentive to take the steps necessary to restore service to customers following weather emergencies, or to reduce the vulnerability of the system to emergencies? If so, please discuss.

Answer

No.

8. Do you believe that the stability of electric rates in recent years, and the absence of frequent rate cases, have in any way reduced your company's incentive to take the steps necessary to restore service to customers following weather emergencies, or to reduce the vulnerability of the system to emergencies? If so, please discuss.

Answer

No.

9. Is there any decision made or activity undertaken by the Utilities Commission or Public Staff in recent years that, in your company's judgment, has reduced your company's incentive to take the steps necessary to restore service to customers following weather emergencies, or to reduce the vulnerability of the system to emergencies?

Answer

No.

10. Does your company have a written plan setting out procedures for the restoration of electric service following ice storms and other natural disasters? If so, please provide a copy of it.

Answer

A copy of Progress Energy's Distribution Storm Plan is enclosed. (Individual names and phone numbers have been deleted.)

11. Please provide a detailed explanation of your company's policy on the number of working hours restoration crews are allowed to work in a day. If this policy has been explicitly stated in written form, please provide a copy of the statement. Please discuss any deviation from this policy that may have occurred during the outage.

Answer

Generally, storm restoration crews are allowed to work up to 16 hours per day, with a suggested 8-hour rest period. This guideline is not in policy form, but is communicated to both internal and external crews prior to beginning storm-restoration duties. Deviation from this guideline might have occurred during the beginning of this storm, where some

crews might have averaged more than 16 hours per day in their efforts to restore power as quickly and safely as possible.

12. Please provide the criteria used to determine the priorities for restoration efforts to customers experiencing electric outages. What priority was given to shelters? If shelters were not given the highest priority (aside from hospitals and facilities for the disabled), would you be willing to give them such a priority in future emergencies?

Answer

The answer to this question is provided in Section 3 – Implementation (Page 2) of the Progress Energy Distribution Storm Plan and stated as follows:

"Restoration Priorities

> *Following a major outage, restoring service to nuclear generating plants is the first priority, since the plants are integral to Progress Energy's ability to meet the baseload electricity needs of its customers. In order to do this, the nuclear warning sirens must have power restored before the plant can come on line. Each operations center with any nuclear warning sirens should have a restoration plan for each siren. These siren restoration plans should include site maps, site-specific notes and a person responsible for each siren site restoration."*

(Note: Nuclear sirens and priority customers as identified below are restored simultaneously.)

> *"After nuclear plants, restoration is in the following order: distribution primary feeders, primary lines, tap lines, and individual services. Exceptions to this sequence include: emergency shelters, hospitals, customers on life-support systems, water and sewage services, , law enforcement centers, fire stations, and other services needed for the welfare of the general public. Each operations center will prepare and maintain a feeder prioritization listing, which is Table D.*
>
> *Before significant crew resources are released from an operations center, a thorough distribution ride out should be performed and "clean-up" repairs completed. All tree storm related work should be completed before releasing tree crews. All exceptions require the approval of the operations center coordinator."*

13. Please describe your company's policies on managing costs associated with storm damage restoration, and discuss the extent to which these policies limited the availability of needed repair crews or equipment during the recent ice storm.

Answer

The overall cost-management policy is flexible to allow management to assess individual situations and procure the proper resources to ensure customer restoration is timely. Progress Energy's policy does not impede the restoration process, but provides guidance to make good cost decisions, and in fact helps expedite the acquisition of needed

resources. For example, we utilize a centralized deployment strategy that relies upon our storm model and field input to determine resources needed. We then procure required resources in a staged manner such that internal resources are used first, followed by system contractors and then supplemented with external utilities and other contract resources. In addition, support resources for storm personnel, such as food and shelter, are obtained through a centralized logistics group where feasible. This allows us to leverage existing contractual arrangements to ensure that quality services are obtained in a timely and cost-efficient manner. All personnel and support costs are tracked by a central accounting group during and after the storm to allow for cost accruals in accordance with generally accepted accounting principles (GAAP).

14. Does your company have firm commitments from other companies to provide assistance in weather emergencies? If so, please describe these commitments in detail. In the event that a company from whom you have a commitment is faced with an emergency of its own, what backup plans do you have?

Answer

Yes. Progress Energy has mutual-aid agreements with all utilities in the Southeastern Electric Exchange (SEE). Assistance from other SEE utilities is provided according to the SEE mobilization procedures, a copy of which is included in Appendix as Attachment 14 to this response. If companies outside of the SEE are used, then similar Edison Electric Institute (EEI) guidelines are followed.

Also, Progress Energy-Carolinas has contracts in place with 36 distribution line and tree contractors. Having existing contracts in place enables the contractors to respond in a timelier manner. Once we determine the off-system contractor resource needs, we contact these contractors directly and request their assistance.

15. Please discuss any instrumentation, telemetry, or similar facilities that enable you to determine that lines are out without receiving outage calls from customers or having employees observe that buildings are dark.

Answer

Progress Energy Carolinas substations are remotely monitored by remote terminal units (RTUs) through Distribution Supervisory Control and Data Acquisition (DSCADA) consoles. The equipment enables an alarm to be sent to the Distribution Control Center. The alarm provides the open or closed status of each individual feeder circuit breaker, thereby indicating whether or not a feeder is energized.

Progress Energy also utilizes a sophisticated outage-management system (OMS) that is integrated with the Distribution Supervisory Control and Data Acquisition System and our Customer Information Management System. The outage management system uses all of the above technology, in concert with customer calls, to analyze problems in the distribution system and predicts the probable location and number of customers affected. Only a limited number of customer calls are needed to provide a probable outage location and number of customers out of service. Not only has this technology proved to provide

outage-related information that helps pinpoint the location and likely cause of outages (which helps expedite repair and restoration) the information is also very useful in communicating with customers. These various systems enable customers to receive estimated restoration times and callbacks to verify that power has been restored. However, the system is less useful in determining estimated restoration times following a major storm due to the widespread damage.

16. In future outages, would it be practicable to provide service area maps on a daily basis to local governments and the news media that show which areas have electric service and which areas will probably receive service in the next 24 hours? If this is not practicable, why is it impracticable?

Answer

As storm conditions stabilized, estimated restoration times were made available to the customer service associates for updating customers. Field estimates were populated in the outage-management system, and customers who requested a callback were given an automated callback with estimate restoration times. Additionally, information about outage restoration by communities was provided to the Customer Service Center for the customer service associates to share with customers. This information was also provided to local community officials.

Mapping has proved to be impractical due to the following issues:

- Complexity of storms – i.e., customers experiencing multiple outages due to repeating events during the restoration period, such as lightning, ice, limbs, etc.
- Normal restoration practices – i.e., larger outages targeted for restoration first, while smaller outages are not restored initially. These issues can result in customers in a single geographical area being restored at different times.
- It would be virtually impossible to provide sufficient detail to accurately address all customers in any geographical area.

17. Apart from line undergrounding, what other protective measures can be taken, without unreasonable cost, to reduce the vulnerability of your company's system to power outages in weather emergencies, especially ice storms? Would greater interconnection and redundancy in the system serve to make it less vulnerable to outages? What plans, if any, do you have to increase interconnection and redundancy in your system?

Answer

Progress Energy spends considerable time and energy every year ensuring that our facilities are properly maintained through extensive maintenance programs, which are both diagnostic and preventive in nature, such that they conform to National Electrical Safety Code (NESC) standards. Sustaining system integrity is a key means of mitigating the impacts of storms. However, the overwhelming majority of outages during ice storms and hurricanes are caused by falling trees, substantial tree limbs and flying debris, not direct damage to the distribution lines from accumulated ice or the high winds. It would

be difficult to construct lines to withstand tree-related damage resulting from severe ice storms or extreme hurricanes.

Greater redundancy and interconnection would not reduce outages resulting from major storms appreciably. Under normal system conditions, interconnection capability can facilitate restoration efforts; however, the advantage of sectionalizing outage problems is diminished under circumstances of widespread damage. Where feasible, we interconnect and provide tie points between circuits regularly as standard design practice to speed restoration to single outage events.

18. Would it be practicable for your company, in future outages, to provide liaisons to local emergency operations centers in the larger cities in your North Carolina service area? If this is not practicable, why is it impracticable?

Answer

Yes. During this ice storm, Progress Energy did provide a liaison to the City of Raleigh's 911 Center and Wake County's Emergency Operations Center. In addition, each municipality has an assigned account executive and community relations manager, who are available as a single point of contact during emergency/storm events.

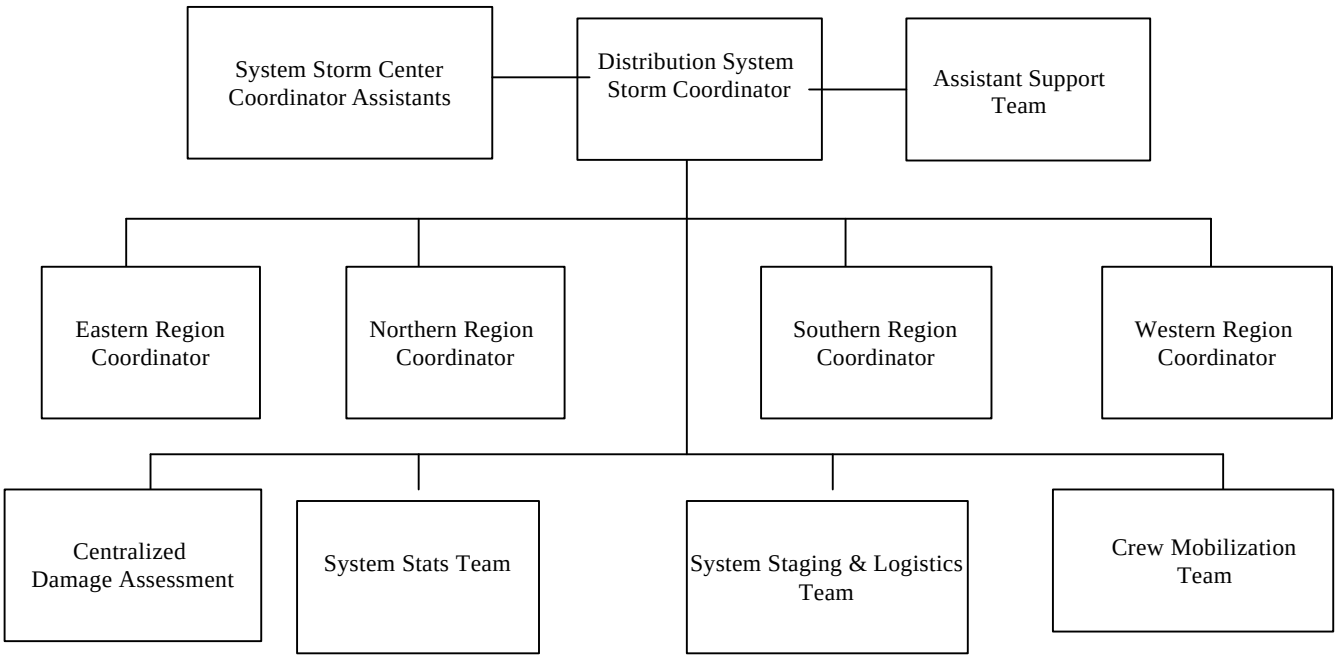
19. Please provide an organizational chart depicting the management hierarchy of your company from the highest level of storm recovery management to the line crews on the job site. Indicate how the management structure would be affected when a crew is from outside your company rather than an internal crew. Describe the basis for assigning company personnel to manage each deployed repair crew.

Answer

All of the organizational charts below are shown in our Distribution Storm Plan in Section 1 - Introduction. This first chart below represents the distribution system storm center organization for the Carolinas. The centralized functions and the reporting of the region storm coordinators to the system storm coordinator are shown.

Introduction - Exhibit #3

CAROLINAS DISTRIBUTION SYSTEM STORM TEAM

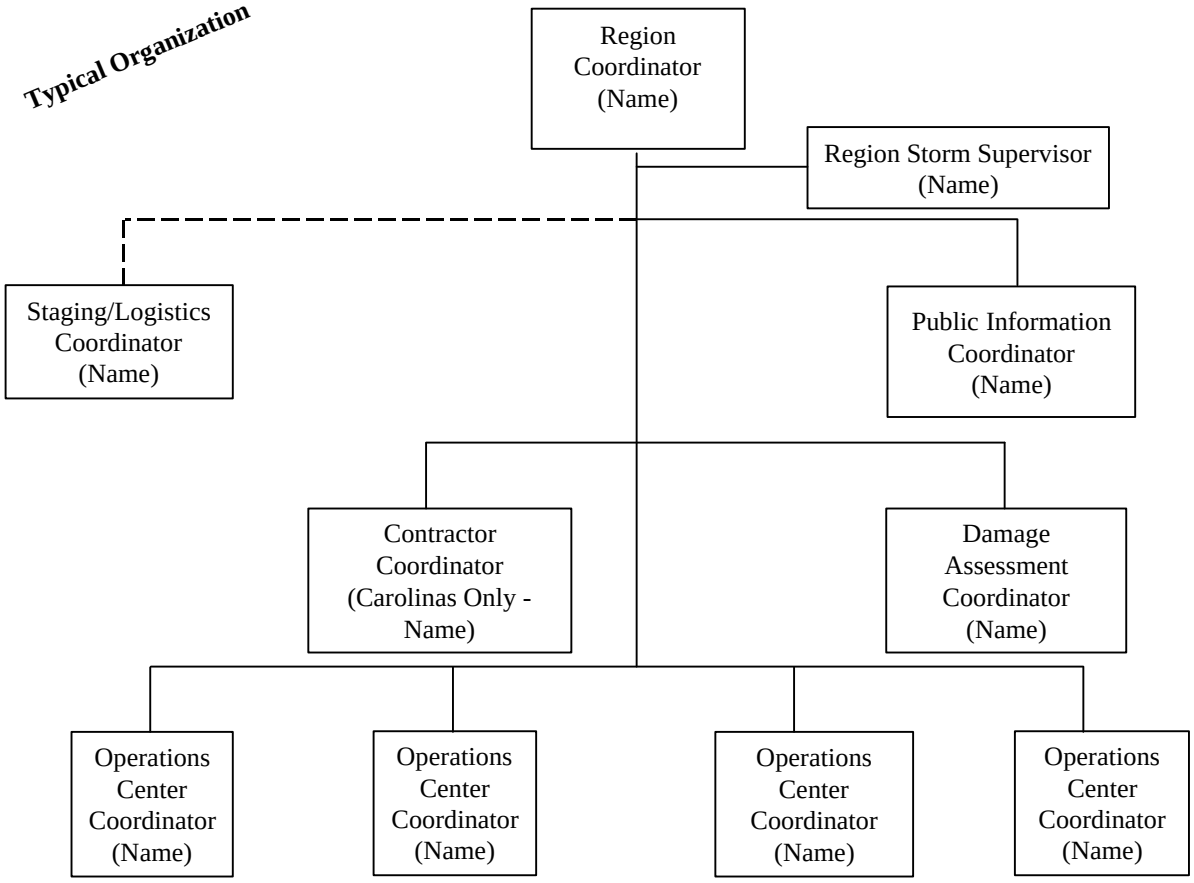


The distribution system storm coordinator reports to the vice president- Distribution Engineering & Operations (DE&O). The VP-DE&O as well as the regional VPs, the VP-Customer Service and the executive VP-Energy Delivery, as well as other members of senior management are actively engaged in storm management.

This next chart represents the region organization chart. The reporting of the operations center storm coordinators to the region storm coordinators is shown.

REGION

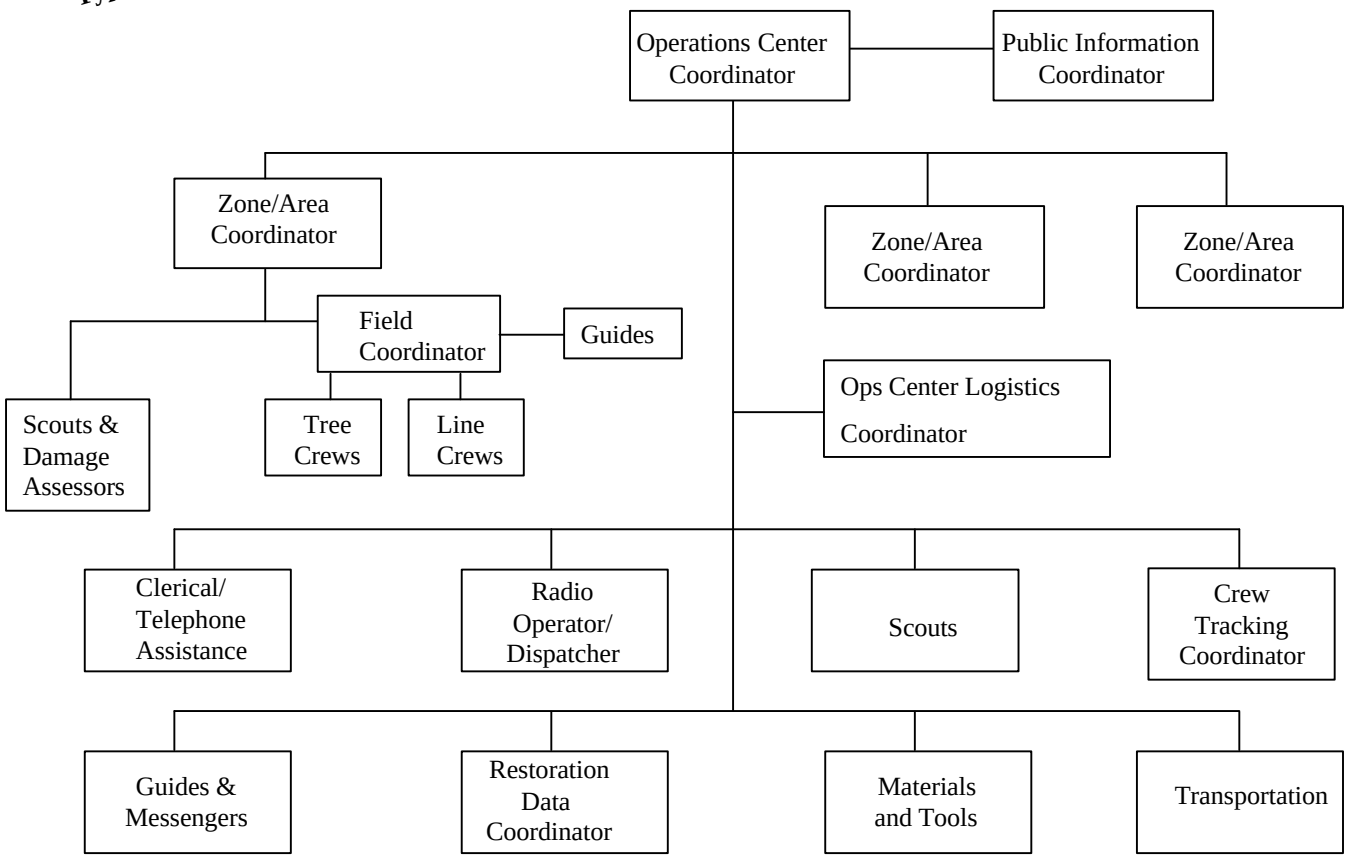
Typical Organization



This last chart represents the organization of the operations centers. The operations center coordinator's area is divided into different zones. These zones are usually substations or communities, depending on the magnitude of the storm. The field coordinators work in the zones and manage the line crews. Both internal and external line crews report to a field coordinator. The organization does not change for external crew management.

OPERATIONS CENTER

Typical Organization



Forecasting

20. Please provide any available information concerning the accuracy of your company's predictions of the date upon which service restorations would occur during the course of the recent service restoration effort.

Answer

The unique characteristics of this particular storm presented a challenge to providing accurate restoration estimates during the first day of restoration. For instance, many circuits were restored several times due to continual tree limbs falling into the distribution lines. The estimated restoration times provided to customers located on the main lines in the first 2 days were reasonably accurate, and the estimates for other customers off the main circuit were unavailable as the damage assessment was still ongoing in many areas. Publicly, we communicated from the start that ice storm outages in most cases would last multiple days, as we worked to repair major facilities first. Early in the restoration, before the scope and breadth of the damage had been completely evaluated, some customers off the main circuit might have received estimates that proved overly optimistic. As the scope of damage became more evident, the estimates became more accurate. By the second full day of restoration, Saturday, Dec. 7, we were able to provide neighborhood-specific estimates via the outage reporting system. Those estimates proved accurate in the vast majority of cases. As main circuit restorations were being completed, and more assessments were done on a community basis, the estimated restoration times became more accurate for all customers. By the third full day of restoration, Sunday, Dec. 8, we indicated through radio advertising and in media communications that the hardest-hit areas would likely be out until Wednesday, Dec. 11. We achieved 99 percent restoration by midnight, Dec. 11, and completed single-home restoration the following day.

21. Please describe in detail your Company's projections for areas that would be affected by the recent ice storm, amounts of ice accumulations by regions, and projected numbers of customers that would have electric service interrupted. To the extent that these projections changed over time, please explain how they changed, beginning with your initial projections and continuing at least through 6:00 a.m. Thursday, December 5.

Answer

Storm conference calls with the system storm team and regional management were held several times a day during the planning and preparation phase of this event.

- Monday, Dec. 2, noon forecast from our weather contractor, Weather Services Incorporated (WSI), called for ¼-inch or less of ice west of I-95. Crew projections reflected that internal resources could handle the anticipated outages associated with this forecast. The storm was forecast to impact our service territory Wednesday evening.

- The Tuesday, Dec. 3, morning forecast was for total ice accumulation in Raleigh of less than ¼-inch. Some ice pockets of greater than ¼-inch (up to 3/8-inch) were forecast for Roxboro, Chatham County, Asheboro and Troy areas. The forecast indicated outages in Raleigh would be few and/or widely scattered. Roxboro, Chatham County, Asheboro and Troy areas were expected to require some additional resources. Crew mobilization modeling indicated that the Roxboro area and Chatham County would require approximately 118 additional linemen and 35 additional tree personnel. Sanford and Asheboro areas would require a total of approximately 64 additional linemen and 20 tree personnel. Our plans were to mobilize this number of crew personnel and have them in place by Wednesday evening. Our on-system contractors were contacted and made aware of the impending storm. They were told to come in Wednesday packed and ready to be mobilized.

- The Wednesday, Dec. 4, morning forecast was only slightly changed. The band of ice greater than ¼-inch had been moved slightly east. One-half-inch ice accumulations were still forecast west of our service area. No significant change was required in the crew mobilization plans. In a 2 p.m. Southeastern Electric Exchange (SEE) conference call there was general agreement among impacted utilities as to this forecast. By comparing weather forecasts in the SEE, we get the advantage of viewpoints from a number of sources in the larger region. On Wednesday afternoon we positioned 220 personnel from our Eastern Region and the I-95 areas of Northern Region to Roxboro, Chatham County, Cary and west Raleigh. In addition, 130 personnel from Sumter, S.C., and Florence, S.C., areas were relocated to Sanford and Southern Pines.

- Very early Thursday morning, it became apparent that the northern end of the ice storm was occurring more easterly and southerly from its projected path, and ice accumulations were heavier than forecast. At that time we immediately began calling in all available off-system line and tree contractors.

(Note: We do not attempt to predict the number of customers out of service for each storm forecast. Our practice is to go directly to the predicted number of outside resources that will be required to restore service for this particular storm and storm track based upon predicted damage to facilities, not predicted customer outages.

Response Planning

22. When did your company begin planning for the storm? Please describe your planning process in detail, giving dates and times of pre-storm decisions based on weather forecasts, damage evaluations, options evaluated for service restoration, and management levels of evaluation. This discussion should begin at the time you initiated planning for the storm and continue at least through 6:00 a.m. Thursday, December 5. Please identify each source of internal or external weather forecast information you used, and for each source of information; specify whether it was used to a major or only minor extent and the degree of confidence you placed in it.

Answer

Our planning process and actions for crew personnel are covered in the answer to Question #21; however, other key material and assessment preparation activities included:

- Storm material supply was checked Tuesday and Wednesday (Dec. 3 and 4) per our storm plan and supplies ordered up to our maximum stocking levels.
- Arrangements were made with transformer vendors for emergency supplies.
- Damage assessment teams were mobilized for Northern Region use.

As stated in the answer to Question #21, we contract for our weather-forecasting service from a company called Weather Services Incorporated (WSI) based in Boston. WSI's utility forecasting arm also provides storm forecasts for utilities including Con-Edison, PEPCO, Southern Utilities and Entergy. WSI specialize in providing very detailed forecasts on all aspects of weather that might impact utility operations, which is why we use them. WSI expressed a high confidence level in their Wednesday morning weather forecast for this event. We also take into consideration local TV and radio forecasts. The specific forecasts from WSI are more precise for our service than the local TV stations alone. We also solicit additional winter weather perspectives from other Southeastern Electric Exchange (SEE) utilities. The WSI forecast was consistent with the forecast of the other SEE member companies on the Wednesday 2 p.m. SEE conference call.

23. What plans were made concerning reassignment of internal utility employees to assist with storm damage assessment and power restoration? When were these decisions made? Were these employees staged for storm recovery and if so, where and how many were staged in each location? Please distinguish between tree repair crews and line and service crews.

Answer

Plans on re-assignment of internal personnel began on Tuesday, Dec. 2. After reviewing the morning weather forecast, we estimated that the restoration would require

approximately 182 linemen and 55 tree personnel. Internal redeployment could meet these requirements. The Wednesday, Dec. 3, weather forecast confirmed that these internal mobilizations were appropriate and sufficient.

The internal deployments made on Wednesday afternoon to be in place for Wednesday night were as follows:

- An 86-person Eastern Region Line & Service (L&S) storm team was sent to Northern Region. About two-thirds of this group was deployed in the Henderson Operations Center, and the remaining third was deployed in North Raleigh Operations Center.
- A 31-person Eastern Region contractor L&S and company storm team was sent to West Raleigh Operations Center.
- A 36-person group of L&S contractors was relocated from the eastern parts of Northern Region to Chatham County Operations Center.
- A 29-person group of off-system L&S contractors from eastern N.C. co-ops was sent to the Northern Region. This group was deployed to the Garner and Cary Operations Centers.
- A 38-person group of tree personnel from the Eastern Region was relocated to Northern Region and deployed among the various operations centers.
- A 12-person L&S storm team from Sumter, S.C., was sent to the Southern Pines Operations Center.
- A 15-person L&S storm team from Florence, S.C., was sent to the Sanford Operations Center.
- A 48-person group of tree contractors from the S.C. area of our Southern Region was sent to the Sanford and Southern Pines Operations Centers.
- A 55-person group of L&S contractors from the S.C. area of our Southern Region was sent to the Sanford and Southern Pines Operations Centers.

Starting in the morning on Thursday, Dec. 6, all available Progress Energy Transmission tree crews and line crews were deployed to the affected areas. These numbers totaled 46 L&S personnel and 26 tree personnel. Also, our Western Region (Asheville) resources were moved on Thursday afternoon to Chatham County Operations Center since storm restoration efforts had been completed in our Western Region service area by Thursday morning. These numbers totaled 52 L&S personnel and 29 tree personnel.

24. What plans were made concerning recruitment of other utility company employees to assist with storm damage assessment and power restoration? When were these decisions made? Were other electric utility employees and electric materials staged for storm recovery and if so, where and how many employees were staged in each location?

Answer

Our crew mobilization plan with respective resource commitments is discussed in Question #23. On Wednesday, Dec. 4, a third Southeastern Electric Exchange (SEE) conference call was held, and based upon the Wednesday forecast (as described in question #21), our request status with the SEE companies was changed to indicate assistance might be required in the event that the severity of the storm was greater than

anticipated. Plans were also established as to which utilities could support Progress Energy in the event assistance was requested Thursday.

Early Thursday morning, Dec. 5, with the ice accumulation and damage more than anticipated, these potential mobilization plans were activated, and mutual assistance utilities and contractors traveled to our service territory during the day Thursday and Friday, Dec. 5 and 6.

Throughout the period of Tuesday, Dec. 10, to Thursday, Dec. 12, we worked with the N.C. Electric Membership Corp. Storm Center to obtain small complements of service bucket crews who were being released from local cities such as Rocky Mount, Wilson, Wake Forest, etc. A total of 66 L&S personnel were obtained from these sources.

25. What special actions were taken to obtain (a) agreements for sharing work crews with other electric utilities, (b) special transportation permits, or (c) other authorizations required by North Carolina agencies?

Answer

The actions taken involving the sharing of work crews from other utilities are discussed in the answer to Question #14. (SEE "joint mobilization" process agreement.)

The State of North Carolina's Emergency Declaration for state and federal DOT waivers is the only special transportation permit of concern. This permit was issued Thursday, Dec. 5, and allowed assisting crews to expedite their way through DOT interstate weight stations.

26. With respect to each situation in which your company elected to revise its existing procedures or storm response plans in order to adapt to factors and conditions particular to this outage, please specify (a) the conditions that led to the changes in existing procedures or storm response plans, (b) the time when the changes were implemented, (c) the level of management approval required to implement the change, and (d) whether the change in procedures or plans proved to be successful.

Answer

We do not revise the System Storm Plan during a major storm. Our storm plan has consistently demonstrated that it incorporates the flexibility necessary to efficiently and effectively manage a major event. No major issues surfaced during the December 2002 ice storm that required modification to our current plan. However, we do perform an extensive lessons learned exercise after each storm in order to capture what went well as well as improvement opportunities. The opportunities are addressed and improvements are incorporated into the plan.

27. During the recent outage, did your company provide special unlisted telephone numbers where you could be reached by local government and emergency management officials? If so, did these numbers function properly? If you did not provide them, would it be practicable to provide them in future outages? If this is not practicable, why is it impracticable?

Answer

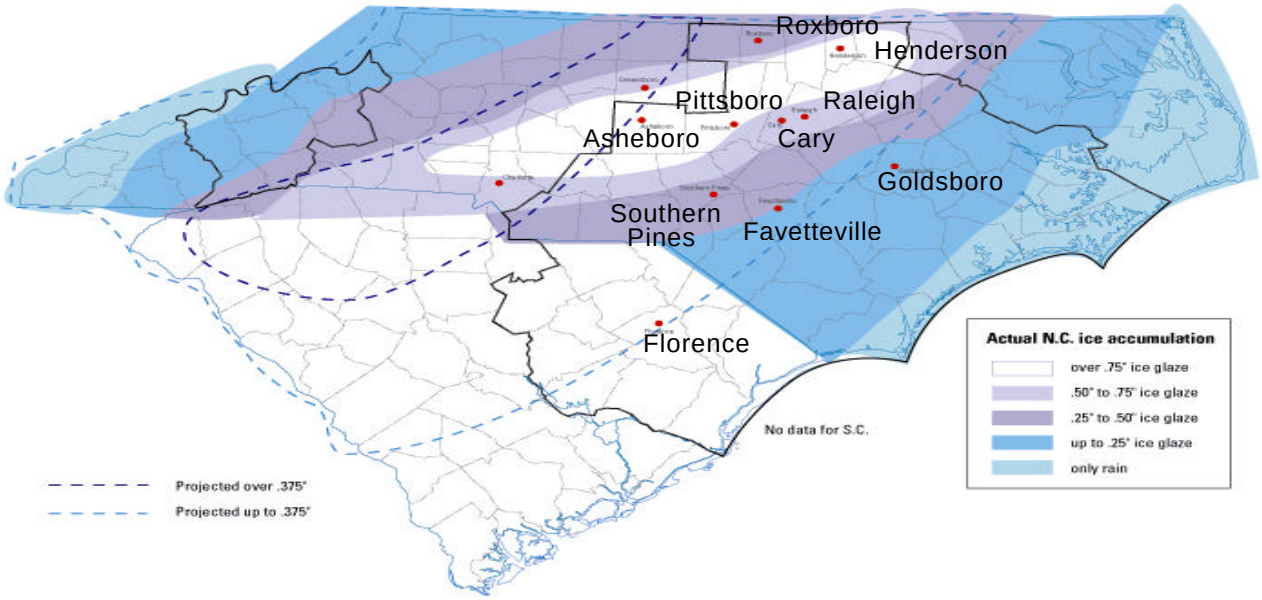
Yes. We do provide unpublished numbers for specific customers to reach account executives and community relations managers, and a toll-free critical customer number to our local government and emergency management officials. And yes, these numbers functioned properly.

Assessment

28. Please describe in detail the expected amount of ice buildup versus the actual ice buildup by regions and describe how this affected the severity of the damage and the number of customers who experienced outages. Discuss the levels of ice build-up that your electric lines are designed to withstand, assuming that they are not damaged by falling trees and tree limbs, and the amount of ice build-up that in your experience causes trees and limbs to begin falling onto lines.

Answer

The graphic below reflects the expected vs. actual ice accumulation in our service territory. This map reflects the original weather forecast (most intense in the heavier dotted line, with some accumulations predicted in the lighter-dotted-line area) and the areas that actually experienced the most ice accumulation (in white).



For the regions below the Wednesday prediction is compared to the actual ice accumulation.

Eastern Region: A slight glazing of 1/8 inch was expected for the westerly portions of the Fayetteville area. All areas east of I-95 were expected to be rain. The actual event was between ¼ and 3/8 inches in the westerly portions of the Fayetteville area. Goldsboro area received ¼ inch. Icing occurred as far east as New Bern and northern Wilmington.

Western Region (Asheville area): Up to ¼ inch was expected for most of the region. The southeast corner of the region was expected to get up to 3/8 inch. The actual event was nearly all sleet and snow.

South Carolina area of the Southern Region: Hartsville area was expected to get ¼ inch or less of ice. The northwest corner of the area was to get pockets of up to 3/8 inch. The actual event was very close to predicted.

North Carolina area of the Southern Region: The southeast portion of this area was expected to get up to ¼ inch of ice. The northeast portion, including Sanford, Asheboro and Troy, was expected to get up to 3/8 inch of ice. The Asheboro area received up to one inch of ice. The remainder of the region received from ¼ to ¾ inch of ice.

Northern Region: The portion west of the center of Raleigh was predicted to get ¼ to up to 3/8 inch of ice. Portions east of downtown Raleigh were predicted to get ¼ inch or less of ice. The Henderson, Pittsboro, Chatham County, and northwest Raleigh area received from one inch to ¾ inch of ice. The other portions of the region to I-95 received ½ inch of ice.

North Carolina is in a National Electrical Safety Code medium ice load district. This requires Progress Energy to design conductor and pole strengths for 1/4-inch ice loading. Due to this design criterion, ice accumulations of ¼-inch or less do not cause significant outages. The vast majority of outages resulting from ¼-inch accumulation or less are widely scattered and are caused by evergreen tree limbs and leaning evergreen trees. Once ice accumulation reaches the ½-inch level the number of outages starts to climb rapidly due to breaking limbs and trees. Ice accumulation of ¾-inch to 1 inch or more causes much more structural damage to tree limbs and trees, including breaking trees and damage to hardwood treetops. Trees that are growing outside of the trimmed rights of way fall into the lines. Ice accumulation of this level (1 inch or more) will also likely cause some insulated service drops to detach from weak house attachments and some long spans of distribution conductors to break.

29. Please discuss the extent to which the electrical line failures during the recent ice storm were caused (a) by ice buildup on the line itself, (b) by falling trees or limbs laden with ice, or (c) by other causes.

Answer

Based upon field observations and damage assessment processes, our best estimate is that falling trees or limbs laden with ice caused a widespread majority of electrical line failures. There were a few isolated cases (small percentage) in specific areas that experienced significant ice accumulations (3/4-inch or more) such that facilities required repair due to ice buildup on electrical lines.

Mobilization

30. How many employees, contractors, and outside resources were assigned to each portion of your company's service territory? How were these resource allocation decisions made? Were they reassessed from time to time during the recovery process? If so, on what basis were any such reassignment decisions made?

Answer

a) Resource allocation by region service territory is provided in detail in response to question #31.

b) Allocation decisions were initially made on anticipated damage from our storm model, utilizing forecasted icing levels based upon weather forecast information.

c) These decisions are continually reassessed during the recovery process based upon field damage assessments and actual restoration progress.

d) Our recovery objective is to restore service to the greatest number of customers as quickly and safely as possible. Restoration priority in also given to facilities essential to health and safety. Initial allocation of resources is driven by the customer-density factor along with assessments of our heaviest impacted areas. Continual mobilization of resources between areas is done with this restoration methodology in mind.

31. Please provide a daily count of the number of employees and vehicles assigned to work on electric service restoration from the beginning of the storm until the last storm related outage was restored. The count for each day should be broken down into these categories: (a) tree clearing workers, (b) line construction workers, and (c) support personnel such as materials handling and inventory. Each of these categories should be further broken down into the following subcategories: (a) company employees assigned to normal duties, (b) company employees reassigned from their normal duties to work the outage, and (c) outside contractor personnel. In addition, please provide the number of employees daily that worked in call centers receiving calls from customers; and provide a daily listing of the number of outside tree clearing crews and the number of outside line construction crews working on the outage, broken down by states.

Answer

The table below provides a breakdown of all L&S, tree and support personnel utilized for this event. Vehicle totals are not tracked in our storm restoration process.

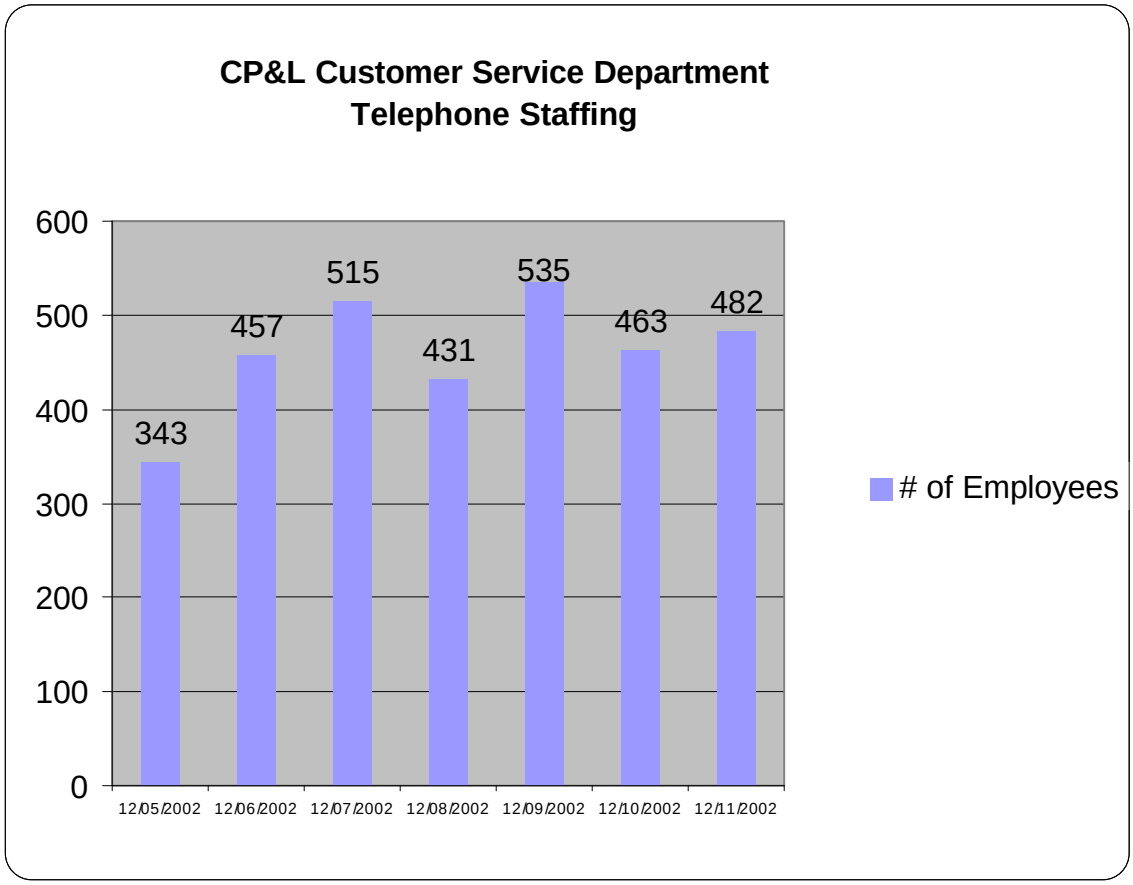
December 2002 Ice Storm
Restoration Resources

	Wed 04-Dec	Thurs 05-Dec	Fri 06-Dec	Sat 07-Dec	Sun 08-Dec	Mon 09-Dec	Tues 10-Dec	Wed 11-Dec	Thurs 12-Dec	Fri 13-Dec
Northern Region										
Line & Service										
Company employees assigned to normal duties	172	172	172	172	172	172	172	172	172	172
Company employees reassigned to work outage	153	250	400	504	504	504	504	495	495	247
Outside contractors or utilities	29	294	919	1042	1042	1299	1438	1145	767	101
Northern Region L&S Total	354	716	1491	1718	1718	1975	2114	1812	1434	520
Tree										
Company employees assigned to normal duties	108	108	108	108	108	108	108	108	108	97
Company employees reassigned to work outage	38	109	109	109	109	109	109	109	109	22
Outside contractors or utilities	0	202	671	649	649	516	442	100	73	22
Northern RegionTree Total	146	419	888	866	866	733	659	317	290	141
Support										
Company employees assigned to normal duties	93	93	93	93	93	93	93	93	93	93
Company employees reassigned to work outage	43	63	123	123	123	123	123	123	123	43
Outside contractors or utilities	0	0	0	0	0	0	0	0	0	0
Northern RegionSupport Total	136	156	216	216	216	216	216	216	216	136
Southern Region										
Line & Service										
Company employees assigned to normal duties	73	73	73	73	73	73	73	73	73	73
Company employees reassigned to work outage	82	82	82	82	82	82	82	47	24	24
Outside contractors or utilities	0	156	339	313	313	152	37	0	0	0
Southern Region L&S Total	155	311	494	468	468	307	192	120	97	97
Tree										
Company employees assigned to normal duties	22	22	22	22	22	22	22	22	22	22
Company employees reassigned to work outage	48	48	75	75	75	48	39	11	11	11
Outside contractors or utilities	0	0	174	211	211	100	0	0	0	0
Southern RegionTree Total	70	70	271	308	308	170	61	33	33	33
Support										
Company employees assigned to normal duties	25	25	25	25	25	25	25	25	25	25
Company employees reassigned to work outage	20	47	67	67	67	67	67	67	67	20
Outside contractors or utilities	0	0	0	0	0	0	0	0	0	0
Southern RegionSupport Total	45	72	92	92	92	92	92	92	92	45
System Total										
Line and Service	509	1027	1985	2186	2186	2282	2306	1932	1531	617
Tree	216	489	1159	1174	1174	903	720	350	323	174
Field Support	181	228	308	308	308	308	308	308	308	181
Field Workforce Total	**906**	**1744**	**3452**	**3668**	**3668**	**3493**	**3334**	**2590**	**2162**	**972**
Non-field support (not at job sites & non-CSC)	200	400	689	689	689	689	689	689	400	50
Totals	1106	2144	4141	4357	4357	4182	4023	3279	2562	1022
Additional Summations										
L&S and tree totals	725	1516	3144	3360	3360	3185	3026	2282	1854	791
Non-native L&S	264	782	1740	1941	1941	2037	2061	1687	1286	372
Non-native tree	86	359	1029	1044	1044	773	590	220	193	55
Off-system L&S	29	450	1258	1355	1355	1451	**1475**	1145	767	101
Off-system Tree	0	202	845	**860**	**860**	616	442	100	73	22

Detail of Off-System Resources by State

Detail of Off-system information by state										
L&S check Sum	29	450	1258	1355	1355	1451	1475	1145	767	101
Tree Check Sum	0	202	845	860	860	616	442	100	73	22
North Carolina										
L&S	29	172	185	203	203	265	284	95	91	33
Tree		53	148	148	148	145	145	28	23	
South Carolina										
L&S		105	136	136	136	170	175	64	60	42
Tree		60	90	90	90	90	90	28	28	
Georgia										
L&S		73	94	94	94	94	94	94	94	5
Tree		52	52	52	52	22	22	22	22	22
Alabama										
L&S										
Tree			107	107	107	22	22	22		
Louisanna										
L&S			50	50	50	50	50	50	50	
Tree										
Florida										
L&S			208	208	208	208	208	208	208	21
Tree			112	112	112	74				
Mississippi										
L&S			50	50	50	50	50	50	50	
Tree										
Texas										
L&S			10	10	10	10	10	10	10	
Tree										
Arkansas										
L&S			15	15	15	15	15	15	15	
Tree										
Tennessee										
L&S			10	10	10	10	10	10	10	
Tree			126	126	126	38				
Kentucky										
L&S			40	89	89	89	89	89	89	
Tree										
Ohio										
L&S										
Tree				6	6	6	6			
Virginia										
L&S		100	325	325	325	325	325	325	25	
Tree		37	152	152	152	152	125			
Maryland										
L&S			95	95	95	95	95	65	65	
Tree			12	12	12	12	12			
West Virginia										
L&S			40	50	50	50	50	50		
Tree			11	11	11	11	11			
Deleware										
L&S										
Tree			21	21	21	21				
Pennsylvania										
L&S				20	20	20	20	20		
Tree				6	6	6	6			
New Jersey										
L&S										
Tree			14	14	14	14				
New York										
L&S										
Tree				3	3	3	3			

The table below provides the number of employees daily who worked in call centers



32. Please describe the manner in which your company directed the work of off-system crews, contractors, and outside resources, including the positions held by the individuals responsible for assigning work to these outside resources, the steps taken to make sure that these outside resources were used to the limits of their availability, and the extent of any problems keeping such outside resources continuously employed.

Answer

Off-System crews were assigned to specific regions by the System Storm Center in Raleigh. The region storm coordinator assigned these crews to specific operations and construction centers within the region using the following criteria:

- Damage assessments
- Outage information
- Crew skill sets and equipment
- Specialized equipment needs
- Needs identified through region-specific conference calls

At the operations center level, there is a tiered approach to using off-system restoration resources most effectively. Roles and responsibilities utilized in the restoration response for this storm are outlined in the Operations Center Model Storm Plan. The local storm coordinator establishes work shifts and assigns restoration resources to established work zones within affected areas. Zone coordinators are assigned responsibility for the effective utilization of resources within their assigned zone, including assignment of field coordinators to specific crews. They direct, coordinate and manage the activities of all restoration resources in their assigned zone for maximum effectiveness. Field coordinators direct the work assignments of specific restoration crews within a zone. Their responsibility includes managing assigned resources effectively, patrolling ahead of crews to identify and prioritize work assignments and providing restoration results to the zone coordinator. The local storm coordinator, through reports from field and zone coordinators, reviews restoration progress at the end of each day. This information is utilized in planning revisions to restoration resources, work assignments, and priorities for the next day to ensure maximum effectiveness throughout the restoration effort. The information is also shared with the system storm coordinator and others, who use it with other data in refining and communicating general restoration estimates to customers and the news media.

33. (For Duke Power only) Were any employees diverted from Durham or Chapel Hill to other locations at any time during the recent outage? If so, explain why this occurred.

34. (For Duke Power only) Why were outside crews not sent to Durham and Chapel Hill more rapidly?

Repair Activity

35. Please specify (a) the number of customers out of service, and (b) the number of repair workers in the field, in each region or locality your company serves, on a daily basis beginning with the morning of Thursday, December 5 and continuing until the recovery effort was completed. The geographical breakdown should be as detailed as your records permit, and to the extent your records allow it should be on a county-by-county basis.

Answer

See Appendix Attachment 35A provides the number of customers out of service on a daily basis.

The following table provides a summary of the number of repair workers by operation area on a daily basis.

FIELD WORKFORCE BREAKDOWN BY OPERATIONS CENTERS

	Wed 04-Dec	Thurs 05-Dec	Fri 06-Dec	Sat 07-Dec	Sun 08-Dec	Mon 09-Dec	Tues 10-Dec	Wed 11-Dec	Thurs 12-Dec	Fri 13-Dec
System Field Workforce Total	**906**	**1744**	**3452**	**3668**	**3668**	**3493**	**3334**	**2590**	**2162**	**972**
Northern Region Total	**636**	**1291**	**2595**	**2800**	**2800**	**2924**	**2989**	**2345**	**1940**	**797**
Cary Ops Center	74	115	220	260	260	260	360	200	70	60
Chatham County Ops Center	84	120	350	390	390	444	649	280	80	40
Dunn Ops Center	48	48	80	70	70	30	30	30	30	30
Garner Ops Center	70	140	320	320	320	270	130	120	60	60
Henderson Ops Center	140	140	475	490	490	620	750	810	1050	397
North Raleigh Ops Center	85	190	270	350	350	320	320	295	200	60
West Raleigh Ops Center	85	288	440	480	480	490	290	240	150	70
Zebulon Ops Center	50	250	440	440	440	490	460	370	300	80
Check Sum	636	1291	2595	2800	2800	2924	2989	2345	1940	797
Southen Region Total	**270**	**453**	**857**	**868**	**868**	**569**	**345**	**245**	**222**	**175**
Rockingham/HartsvilleOps Center	50	80	80	80	80	50	20	20	20	20
Southern Pines Ops Center	100	153	327	327	327	80	25	25	25	25
Sanford Ops Center	120	220	450	461	461	439	300	200	177	130
Check Sum	270	453	857	868	868	569	345	245	222	175

36. Please discuss any differences between your response to the ice storm in South Carolina or Virginia and in North Carolina.

Answer

The same outage response to the ice storm was utilized in both North Carolina and South Carolina. However, very little damage due to icing conditions was experienced in South Carolina. And, as previously noted, a number of crews from our South Carolina operations centers were moved to North Carolina to assist in restoration.

37. Please provide data by region or locality (broken down in as much detail as your records permit) showing the average length of outages, daily repair percentages, and time required to restore 100% service.

Answer

See Appendix Attachment # 37A and 37B.

38. Does your company maintain work and trip reports showing where particular employees worked on particular days during the outage?

Answer

Yes. Records of the assignment of individuals, crews, and other work groups to specific operations centers are maintained at the region level. Within the operations centers, the specific assignment of employees and other resources are noted on a daily basis as part of the local storm center work plan.

Customer Service

39. Please provide any available information about the extent to which individuals attempting to reach your company's customer service centers were unable to do so due to excessive calling volumes, software limitations, or any other factors.

Answer

During the December ice storm and restoration, Dec. 4-11, Progress Energy answered approximately 650,000 outage calls. Almost half of the total call volume, 318,000 calls, were taken within the first full day of the storm event. This compares to a normal daily volume of approximately 15,000 calls. To answer call volumes of this magnitude, Progress Energy relies heavily on automation, particularly during the early stages of a storm. Customers utilizing our toll-free, automated Outage Line had unrestricted access for reporting their outage. Busy signals, if any, would have resulted from limitations by the local telephone carrier, not Progress Energy's customer call center telephone system. Due to a high volume of calls, some customers using our general business line to report an outage (instead of the advertised outage-reporting number), received a busy signal in the first days of the storm.

40. Please describe your company's efforts to inform the public about (a) the severity of the outage, (b) your efforts to obtain sufficient assistance to make repairs, (c) how customers can contact your company to obtain information regarding the restoration of their electric service, and (d) the progress made in your restoration efforts.

Answer

Progress Energy's proactive storm communications plan is designed to give our audiences vital information, before and after the storm, using multiple communications channels, including radio, print media, television and the Internet.

Before the storm arrived, we blanketed our service area news media outlets with information about our storm preparations. The communications focused on the storm's potential impact and the extra manpower and equipment that were being mobilized in advance of the storm. They also provided outage-reporting information.

During the restoration effort, we proactively provide detailed, up-to-the minute and consistent information, 24 hours a day, via the news media and through our Customer Service Center about the storm's impact, our progress with power restoration and estimated time of restoration. We do encourage customers to use our outage line to report their outage as the storm progresses for storm updates and restoration information. In this storm, we issued at least one news release every day, participated in the N.C. Emergency Management's daily media briefings and conducted hundreds of media interviews around the clock. We also executed an aggressive advertising effort, airing regularly updated radio spots beginning the day the storm hit throughout the entire restoration process. In addition, we ran newspaper advertisements across the impacted areas that included safety information and restoration updates.

Finally, before and during the storm, Our community relations managers located throughout our regions worked closely with public officials – e.g., mayors, town councils, emergency personnel, to keep them informed and to assist with those officials in any way possible.

41. Please provide the number of calls received daily (by 8-hour periods) at each of your company's call centers from customers calling about outages or other storm problems. Specify the average wait or hold times experienced by customers during each 8-hour period.

Answer

Progress Energy- Outage call volume/average wait distribution per eight-hour period

	Midnight - 8 am		8 am - 4 pm		4 pm - Midnight		24 hours
DATE	Total Calls	Average Wait To Agents (in seconds)	Total Calls	Average Wait To Agents (in seconds)	Total Calls	Average Wait To Agents (in seconds)	Total Calls
December 4, 2002	164	8	789	6	12,427	159	**13,380**
December 5, 2002	110,308	144	154,189	151	53,453	211	**317,950**
December 6, 2002	12,371	19	58,175	44	31,852	31	**102,398**
December 7, 2002	7,009	3	40,374	7	20,331	173	**67,714**
December 8, 2002	4,384	10	37,302	11	19,115	145	**60,801**
December 9, 2002	5,525	89	28,445	117	11,432	95	**45,402**
December 10, 2002	2,609	35	13,425	162	5,396	80	**21,430**
December 11, 2002	2,389	77	7,520	163	8,991	128	**18,900**
	144,759		**340,219**		**162,997**		**647,975**

42. Was your company able to communicate with customers in Spanish during the outage? Please describe any efforts made to improve communications with Spanish-speaking customers during the course of the outage. To what extent do you believe that your company was able to communicate effectively regarding service outages with customers who spoke only Spanish? To what extent (if any) was the restoration of service to these customers delayed by language problems?

Answer

Yes. Spanish-speaking customer-service associates were available 24 hours a day throughout the storm event. Customers with Spanish-only language needs were directed to a Spanish-speaking associate. While we received no complaints from our Spanish-speaking customers, plans are under way to expand our automated outage system to be fully capable of handling Spanish calls by the end of January 2003.

43. When customers called your call centers during the recent outage, were they able to obtain an expected restoration time for their service? If they were not, would it be practicable to provide this information in future outages? If this is not practicable, why is it impracticable?

Answer

Yes. As storm conditions stabilized, estimated restoration times were made available to the customer service associates for updating customers. Field estimates were also input into the outage-management system and customers who requested a callback were given an automated callback with an estimated time of restoration. Please refer to Question 20 for details.

Information Availability

44. Are there any reports you have made to the Utilities Commission on this outage that are not available to the general public? Aside from the Utilities Commission, to what other agencies inside or outside North Carolina have you submitted reports relating to this outage? Please identify each such report by title, date and brief description. Are there any of these reports that are not available to the general public?

Answer

Progress Energy made periodic reports to the public staff and the Utilities Commission regarding the outages resulting from the storm and the status of restoration of service. These reports were made by phone and e-mail and are not available to the general public. However, the information provided to the public staff and commission was consistent with updates provided to the general public. Progress Energy also made a report to the commission, including written comments, on Dec. 16. That report was widely distributed to persons attending the presentation.

Progress Energy also made periodic verbal reports to the State Emergency Operations Center as well as several local emergency-management agencies during the storm and the restoration process. Those reports were not available to the general public. Progress Energy also made several verbal reports to the S.C. Emergency Operations Center which were not available to the general public.

Finally, Progress Energy submitted a written Emergency Incident and Disturbance Report on Form EIA 417 to the U.S. Department of Energy, Energy Information Administration (EIA), as required by Federal law. An initial report was provided Dec. 5, and several updates were submitted to reflect restoration progress. The submitted forms contain information considered confidential by EIA, and therefore those forms are not available to the general public.