

STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

INVESTIGATION BY THE INDIANA UTILITY)
REGULATORY COMMISSION, UNDER IC §§ 8-1-2-58)
AND 59, TO INVESTIGATE ELECTRIC UTILITY)
TREE-TRIMMING PRACTICES AND TARIFFS)
RELATING TO SERVICE QUALITY IN THE STATE OF)
INDIANA.)

CAUSE NO. 43663

RESPONDENTS: ALL INDIANA JURISDICTIONAL)
ELECTRIC UTILITIES)

PREFILED REPLY TESTIMONY OF

CYNTHIA M. ARMSTRONG

ON BEHALF OF THE

INDIANA OFFICE OF

UTILITY CONSUMER COUNSELOR

December 18, 2009

Respectfully submitted,



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CERTIFICATE OF SERVICE

This is to certify that a copy of the foregoing **PREFILED REPLY TESTIMONY OF CYNTHIA M. ARMSTRONG** has been served upon the following counsel of record in the captioned proceeding by electronic service and/or by depositing a copy of same in the United States mail, first class postage prepaid, on December 18, 2009.

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REPLY TESTIMONY OF CYNTHIA M. ARMSTRONG
CAUSE NO. 43663
INVESTIGATION OF ELECTRIC UTILITY
TREE-TRIMMING PRACTICES AND TARIFFS

1 **Q: Please state your name and business address.**

2 A: My name is Cynthia M. Armstrong. My business address is 115 W. Washington
3 St., Suite 1500 South, Indianapolis, IN, 46204.

4 **Q: By whom are you employed and in what capacity?**

5 A: I am employed by the Indiana Office of Utility Consumer Counselor (OUCC) as a
6 Utility Analyst in the Electric Division.

7 **Q: Are you the same Cynthia M. Armstrong who filed Direct and Responsive**
8 **testimony in this cause?**

9 A: Yes.

10 **Q: What is the purpose of your Reply testimony in this proceeding?**

11 A: The purpose of my testimony is to respond to comments made by other utility
12 witnesses in responsive testimony regarding the OUCC's recommendations
13 presented in my direct testimony which was prefiled on August 19, 2009.

14 **Q: What did you do to prepare for this testimony?**

15 A: I reviewed the responsive testimony submitted by all utilities and parties in this
16 investigation. I also reviewed data responses provided to me by other parties in
17 this Cause. I attended three of the six public field hearings held in this Cause and
18 have had numerous discussions with other OUCC staff members who attended the
19 other three public field hearings.

20 **Q: A number of utilities have objected to the OUCC's recommendation that the**
21 **Commission adopt uniform vegetation management standards which "follow**

1 **ANSI A300 procedures to the extent adopted or modified to the**
2 **Commission's directives." Please clarify this comment.**

3 A: It is not the OUCC's intent to recommend to the Commission the partial adoption
4 or modification of the ANSI A 300 standards in any manner. This statement
5 from my testimony was an expression of deferral to the Commission's judgment
6 on this particular issue. If the Commission determines that it is necessary to draft
7 rules concerning Indiana utility vegetation management practices, the OUCC
8 understands this process may be quite deliberative and require the collaboration of
9 many parties involved in this case. This comment was made to acknowledge the
10 possibility that the IURC may not adopt all of the provisions of the ANSI A 300
11 standards in a rulemaking process. However, in my view, the ANSI A 300
12 standards should be adopted in their entirety by the Commission.

13 **Q: Utility witnesses have criticized your use of the words "excessive" and**
14 **"extreme" to describe utility pruning practices which comply with ANSI A**
15 **300 standards. Please respond.**

16 A: Although ANSI A 300 standards were developed by the tree care industry to
17 protect the health of the tree while minimizing contact with utility lines, some
18 customers view these pruning activities to be excessive or extreme. Indeed,
19 property owners have expressed shock to find that half of their tree's limbs have
20 been pruned or the top of the tree has been removed, or that there is an "L" or "V"
21 shaped hole in the tree's canopy. Additionally, simply following an industry
22 standard does not mean certain trimming practices can't be viewed by the
23 property owner to be excessive or extreme.

24 Furthermore, in cases where the utility is required to remove a significant

1 portion of the tree to comply with ANSI A 300 standards and internal reliability
2 standards, it may be more prudent to remove the tree. Some utility witnesses have
3 noted that if they must remove more than two-thirds of the tree's limbs, that they
4 will generally choose tree removal over pruning. The term "excessive" pruning
5 could certainly apply to these situations, and would warrant the utility and
6 property owner discussing tree removal and potentially tree replacement options
7 in such circumstances.

8 **Q: Do Indiana electric utilities follow ANSI A 300 standards?**

9 A: Yes. Based on the utility responses to the IURC final issues list in this Cause, it
10 appears that all Indiana utilities are aware of ANSI A 300 standards and
11 incorporate them into their vegetation management programs.

12 **Q: Does the OUCC support establishment of standardized clearances between**
13 **vegetation and conductors?**

14 A: Yes. Several utility witnesses have commented that many consumers or property
15 owners don't understand what constitutes proper pruning techniques.
16 Unfortunately, these proper pruning techniques may result in greater clearances
17 for faster-growing species. We have received and heard a few comments from
18 consumers who believed the utility was unfairly targeting their tree when a
19 neighbor's tree was closer to a power line but was not pruned as extensively.
20 Providing at least some standard clearance guidelines for consumers may assist in
21 preventing conflicts between the utility and consumer later. Standard clearance
22 guidelines may also provide a sense of individual consumer responsibility to
23 ensure that their trees do not encroach on the utility right-of-way. Duke Energy

1 has made the decision to stop using a species-specific approach in its pruning
2 efforts. If choosing to abandon a species-specific approach does not negatively
3 impact reliability, then this may provide a good solution to preventing or
4 alleviating customer tree-trimming complaints in the future. It is much easier for
5 a consumer to accept a utility's pruning activities if the customer sees the same
6 standard applied to his neighbor's trees as to his own.

7 If the Commission chooses to initiate the rulemaking process for
8 consideration and adoption of uniform utility vegetation management standards,
9 the OUCC anticipates that specific clearance guidelines would be drafted in
10 collaboration with the Commission, the OUCC, utilities, and other consumer
11 groups. The OUCC submits that utility line clearances of at least ten feet (or
12 more for higher voltage lines) are necessary to maintain the safety and reliability
13 of a utility's distribution system.

14 **Q: Does the OUCC support the establishment of standardized trimming cycles**
15 **for utilities?**

16 **A:** Yes. The OUCC would be supportive of a trimming cycle that is not shorter than
17 3 years no longer than 6 years. The OUCC has received several complaints from
18 IPL customers that the utility is trimming their trees on a two-year cycle, although
19 IPL witnesses have testified the company utilizes a three-year trimming cycle for
20 urban distribution lines. A trimming cycle of two years is too cumbersome for
21 many customers and the OUCC questions whether using a two-year trimming
22 cycle accomplishes the goal of improving reliability at a lower cost to consumers.
23 However, the OUCC recognizes the danger of extending the length of trimming

1 cycles too substantially and generally supports a trimming cycle in the three to
2 five-year range.

3 **Q: Many utilities object to the notice requirements for which you advocated in**
4 **your direct testimony. Please respond.**

5 A: The majority of objections from utility witnesses on this matter revolve around
6 claims of additional cost for providing advance notice to consumers of utility tree
7 trimming in their neighborhood. However, none of these witnesses provide any
8 cost specifics for providing advance notice through mailing inserts and the like,
9 but offer only generalities. The most common comment the OUCC received in
10 this investigation from consumers was that the utility provided little or no notice
11 before showing up to trim. The OUCC still believes that this could be a low-cost
12 solution to many of the complaints received during this proceeding. This is a
13 small, but effective, step that most utilities can take towards improving customer
14 relations and their vegetation management programs.

15 Many utility responses state the notice requirements I advocated for in
16 direct testimony were overly prescriptive, too costly, and would not produce the
17 level of benefits to justify their costs. If not all of such notice requirements are
18 reasonable to adopt, I must still recommend that electric utilities provide affected
19 customers written notice of their tree trimming schedule or possible work at least
20 two (2) weeks prior to beginning work in that particular neighborhood.
21 Emergency restoration work would, of course, be exempt from this obligation.
22 Notifying customers of pruning activities ahead of time can provide ample time
23 for the customer to contact the utility, ask utility staff questions, and potentially

1 solve any disputes prior to any work taking place. Furthermore, it provides the
2 customer with the ability to plan for any inconveniences that pruning work could
3 create (i.e. trucks partially or fully blocking driveways or streets).¹

4 **Q: Some utilities have expressed a desire to remain exempt from any new**
5 **vegetation management standards. Please explain.**

6 A: Both Indiana Municipal Electric Association (IMEA) Witness Stuart Tuttle and
7 REMC Witness Greg Kiess advocate for jurisdictional municipal electric utilities
8 and rural electric cooperatives respectively to be exempt from any kind of
9 vegetation management regulations proposed and enacted by the Commission.
10 IMEA cites to existing close personal contact with customers relating to tree
11 trimming; current local governance of their electric utility policies; and limited
12 customer comments relating to municipal electric tree trimming practices in
13 support of such an exemption. The REMCs cite to potential hardship and
14 significant expense to adhere to uniform tree trimming standards, especially in
15 rural, heavily forested or hilly terrain. While these are appropriate facts to
16 consider, they should not forestall the adoption of a uniform set of standards for
17 vegetation management that allows for sensible tree trimming practices by
18 utilities in municipal and rural areas while at the same time keeping costs under
19 control. It is the OUCC's view that the unique characteristics of some
20 jurisdictional electric utilities can be taken into account by the Commission in the
21 establishment of these uniform standards.

¹ REMC Witness Greg Kiess, pg. 7.

1 Q: Does this conclude your Reply testimony?

2 A: Yes it does.