Introduction to the Electric Utility Industry

Slide 1

Introduction
The Electric Utility Industry

The electric industry within the United States, and internationally, is a very diverse system. Depending on your location, you may be dealing with a public, private, or governmental owned and operated organization.

- In some cases the entity that owns and operates the electric lines and related systems may NOT even be a recognized electric utility provider.

- It is extremely important to do your homework for the area or areas where you may be conducting fire investigations. Learn the “who, what, and where” of the electric utility providers and the private lines before the fire happens.

Slide 2

Objective
Describe how a typical electric utility company is organized and the function of each of its major departments.

- Electric Utilities are organized along functional lines. Most are organized under a standard corporate structure with a Board of Directors with Corporate Vice-President’s overseeing each functional component.

- This type of organization typically extends downward from a central corporate office.
Introduction to the Electric Utility Industry

Slide 3

Objective

Describe the principle statutory, regulatory, and industry standards that a typical electric utility company must operate.

Each electric utility operates under specific statutory, regulatory, and industry standards provisions in order to provide safe and reliable service.

Slide 4

Typical Electric Utility Organization

Make the following key points:

- The three primary contacts that you will need to know and understand prior to initiating a fire investigation are the Claims Department which may be under the Legal section; and, the Line Maintenance and Vegetation Management Departments which are usually under the Maintenance and Construction section.

- In many cases individuals from both of these sections may arrive at the area of origin prior to your arrival and may take actions that will impact your investigation. This may include linemen and trouble men that respond to a reported problem or outage. They may have removed broken or damaged hardware or equipment, cleared encroaching vegetation or animals, or replaced or repaired lines, fuses, or switches in order to restore power to the grid. Line Inspectors and tree
Introduction to the Electric Utility Industry

trimming contractors may be directed to remove additional materiel in order to insure the safety of the system. Claims Representatives may have initiated interviews with first responders, local dispatch operators, and local residences to determine the sequence of events prior to and after the outages.

- In addition, the Chief Information Officer and the Public Affairs section may already be developing press announcements for providing the utility’s perspective on the fire.

Make the following key points:

- Although these terms may be ones commonly used in the identification of an electric utility’s management structure, others may have different titles or use “General Managers” to oversee similar activities.

- Determine who leads these particular functions and their sub-sections. These are the electric utility’s specific personnel that install the system components in compliance with industry standards and regulatory requirements; maintain those components to insure safety and reliability; and inspect and insure that vegetation and other potential hazards are recognized and removed prior an outage, fire, or other catastrophic event. Line Inspectors or Line Inspection Contractors may fall under the Line Maintenance or the Vegetation Management functions or may be shared by both. Tree Trimming and Vegetation Management Contractors normally fall under the Vegetation Management function.
Introduction to the Electric Utility Industry

- Know who the principle players are for your particular area of responsibility and maintain an updated written listing of the Line Maintenance, Vegetation Management, Line Inspectors, and Tree Trimming managers and contractors including their normal and emergency contact telephone numbers. Meet with them regularly, especially prior to fire season and immediately after fire season to discuss potential issues and how the previous season progressed. Have that list available for any investigators that may be assigned to your area in your absence or during periods of high fire activity.

- Try to develop working relationships and arrange protocols with the electric utility managers and workers on their need and ability to enter into a potential fire origin to insure first responders safety, safety and reliability of their electric system and to restore power, and insuring provisions for maintaining scene integrity and security, preservation of evidence, and your ability and responsibility to obtain and collect any and all items removed from the potential area or point of origin. (See a sample Protocol Agreement in the Appendices – Example File)

Slide 6

Legal Aspects

Make the following key points:

- In all of your dealing with the electric utilities, they will always express an interest, desire, and a requirement to incorporate their legal and claims sections in any and all activities.

- Always remember to be up front with the individuals in
Introduction to the Electric Utility Industry

these functions and understand their corporate interest in their and YOUR activities. Remember that anything and everything that you say and/or do in their presence can and will be used down the road to both support their position and weaken yours. If necessary, bring in your legal representative during any discussions or meetings where the electric utility’s legal or claims representatives are in attendance.

➢ Do not forget that on any fire investigation that may involve an electric utility, their claims representatives will be either initiating an investigation on their own, or contracting with a private fire investigator to determine other potential origins and causes.

➢ These factors make prior meetings with the legal and claims sections of the utilities imperative. Establishing each agencies authorities and responsibilities and developing protocols for addressing entry into the fire origin by non-law enforcement or investigative jurisdiction personal for investigative or other purposes, potential information sharing, product and evidence testing and retention, and records/document requests may avoid numerous legal rankling or motions during the investigation. Don’t be afraid to ask with a “please” prior to initiating the administrative subpoena, search warrant, or request for discovery. The information or items that you will be requesting are part of their normal business practices and must be maintained according to the regulatory requirements.
Introduction to the Electric Utility Industry

Make the following key points:

- The electric utility companies are required to operate under strict guidelines to ensure the safety and reliability of providing electric power.

- Each State has enacted statutory provisions that guide the electric utility providers regarding business activities, construction, operations, and maintenance of their systems.

- Some States have established Public Utility Commissions or Authorities that oversee and regulate the electrical industry. Their Regulations or General Orders set additional standards and criteria for planning, construction, maintenance, repair, and incident reporting to the Commission or Authority.

- Many existing regulatory agencies have standards that must be met by the electric utility industry. The Occupational Health and Safety Agencies may have specific provisions regarding working in and around electric facilities. Those provisions will apply to you – the fire investigator – as well as others.
Introduction to the Electric Utility Industry

Make the following key points:

- The Environmental Protection Agencies may have specific provisions regarding the handling of electrical equipment that have certain types of additives or chemicals. Those provisions will apply to you – the fire investigator – as well as others.

- Each forest or area will have safety and fire prevention requirements written into use permits or easements that allow the electric utility to place and/or operate facilities within your particular area.

- Last, but not least, is the general industry standards that have been established through the industry’s long history that include National Fire Protection Association (NFPA) Codes, including Electrical and Building Codes.

- The Fire Investigator must obtain and keep current on these laws and regulations to effectively conduct their investigations of Power Line Causes Wildland Fires. These will serve as the basis for determining negligence, either criminal and/or civil and your agency’s ability to recover fire suppression costs and other damages.
Introduction to the Electric Utility Industry

The Electric Utility Industry and the Fire Investigator

- Know all of your Electric Utility Providers in your jurisdictional area
- Know all your contacts in each provider’s Line and Vegetation Management Programs
- Know your controlling statutes, regulations, general orders, and use permit and/or easement provisions

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Knowledge Check:

When a fire has occurred that involves a electric utility company, the fire investigator will be principally working with:

A. The electric company’s Public Information Officer
B. The electric company’s President and CEO
C. The Legal Section’s Claims personnel and the Construction and Maintenance Section’s Line and Vegetation Management personnel
D. The electric company’s hired private fire investigator
Introduction to the Electric Utility Industry

The Correct Answer is:

C. The Fire Investigator will principally be working with the electric utility company’s Line, Vegetation Management, and Claims personnel.

Slide 11

Knowledge Check

The most important provision for establishing a case against an electric utility for causing a wildfire is:

A. The “Industry Standard” for electric utility operations
B. Local Use Permits and Easements
C. Public Utility Commission or Power Authority Regulations and General Orders
D. State Statutes and Regulations

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This was a “Thought Question”.

ALL provisions are important and any one of these items can and will assist the Fire Investigator in establishing a case against an electric utility for causing a wildfire.

TRANSITION to Unit 1: Safety