Exhibit DTA-1T

Opposition Testimony of D. Timothy Arnold

TESTIMONY OF

D. Timothy Arnold

In Opposition to the Multiparty Settlement Stipulation on Behalf of IBEW 77

BEFORE THE WASHINGTON UTILITIES & TRANSPORTATION COMMISSION

IN THE MATTER OF THE JOINT APPLICATION OF PUGET SOUND ENERGY, ET AL., FOR AN ORDER AUTHORIZING PROPOSED SALES OF INDIRECT INTERESTS IN PUGET SOUND ENERGY

DOCKET U-180680

TESTIMONY OF D. TIMOTHY ARNOLD (DTA-1T)

IN OPPOSITION TO THE MULTIPARTY SETTLEMENT STIPULATION

ON BEHALF OF

INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS, LOCAL 77

FEBRUARY 8, 2019

TESTIMONY OF D. TIMOTHY ARNOLD (DTA-1T) IN OPPOSITION TO THE MULTIPARTY SETTLEMENT STIPULATION DOCKET U-180680

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I. INTRODUCTION / SUMMARY

- 2 Q: Please state your name and employer location.
- 3 A: My name is David Timothy Arnold, but I go by Tim. My business address is 7522
- 4 Maxwelton Beach Lane, Clinton WA 98236.
- 5 Q: Please describe your prior employment history and experience.
- 6 A: I was employed by Puget Sound Power and Light ("PSP&L") and Puget Sound Energy
- 7 ("PSE") from 1968 through 1999 holding numerous positions including: Superintendent
- 8 of Redmond Service Center, General Manager in three different districts, and Manager of
- 9 Substations and Major Construction. I have enjoyed the challenges and demands of every
- position. I have over 25 years of experience supervising operating and construction
- personnel. I have also worked for Pilchuck Construction and have been a consultant to
- builders and contractors.

- 13 Q: Please describe your educational background.
- 14 A: I hold a Bachelor of Science Degree in Electrical Engineering from the University of
- Washington, plus credits from the University of Wisconsin, and Cal Poly in San Luis
- Obispo. I have held a professional engineering license in the State of Washington for
- over forty years. I am also a graduate of the PUEC (Public Utilities Executive Course)
- 18 from the University of Idaho.
- 19 Q: Please describe your knowledge and experience with operating a utility.
- 20 A: In my thirty years employed by PSP&L and PSE, I was responsible for the design,
- 21 construction and maintenance of electrical systems. I have supervised linemen,
- servicemen, equipment operators, meter readers, collectors, engineers, storerooms,
- wiremen, substation inspectors and customer service personnel. I have had extensive

experience in storm restoration including managing crews, examining restoration priorities, leading contract crews from other areas, setting up temporary command facilities and coordinating helicopter services. I have managed millions of dollars of maintenance and operation budgets, and tens of millions of new construction and new customer facilities.

6 Q: Please describe your familiarity with PSE.

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A: I have worked in twelve different PSE facilities in four different counties. I have worked in the corporate office three different times including: time in system planning, analytical methods, and corporate planning. I have been responsible for the maintenance of a billion dollars of substation and transmission equipment with a construction budget of over twenty million dollars per year.

12 Q: Please describe your experience and relationship with IBEW Local 77.

- 13 A: I am not an IBEW Local 77 member. I was a member for two years from 1968 to 1970.
 14 I have a withdrawal card.
- 15 Q: Please describe IBEW Local 77 and its History.
- 16 A: IBEW Local 77 was chartered in 1897 and has been an advocate for working men and
 17 women in the Pacific Northwest for over 121 years. IBEW Local 77 is comprised of over
 18 7,000 members in Washington, Idaho, and Montana. The organization is a member-run,
 19 democratically elected, labor organization. IBEW members serve in various positions in
 20 the electrical industry, including linemen, metermen, call center responders, relay
 21 operators, hydro operators, tree trimmers, and many other classifications. Members work
 22 primarily in the construction and utility industries, including numerous public utilities.

Q: Please describe IBEW 77's Relationship with PSE.

A: IBEW Local 77 is the exclusive bargaining representative for eight hundred (800) fulltime, part-time, and temporary employees at Puget Sound Energy ("PSE"). These
include service lineman, equipment operators, relay technicians, meter technicians,
system operators, hydro electricians, hydro mechanics, environmental coordinators, cash
clerks, customer construction representatives, customer service representatives, and
numerous others.

IBEW Local 77 also represents numerous workers employed by third-parties which subcontract with PSE. These include workers who perform trenching, digging, construction, tree removal, and other work necessary to ensure safe and effective electric utility transmission. This includes, but is not limited to, work performed by Potleco Inc. and Asplund Tree Expert.

- Q: Please describe the collective bargaining relationship between IBEW Local 77 and PSE.
- 14 A: IBEW represents approximately eight hundred (800) employees at PSE. The parties have 15 a collective bargaining agreement effective from December 12, 2017 through March 31, 16 2020.¹
- 17 Q: Please describe IBEW Local 77's absence from the 2008 Macquarie transfer proceeding.
- 19 A: IBEW Local 77 did not participate in the 2008 Macquarie transfer before the 20 Commission. IBEW Local 77 was not afforded any opportunity between the 2008 transfer and today to provide input or perspective on changes in ownership. This 22 proceeding is important to the IBEW's members because they are the individuals

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¹ Exh. DTA-2 (*IBEW Local 77 – PSE Collective Bargaining Agreement*).

1 primarily charged with carrying out PSE's daily operations and Commission 2 commitments. 3 Why should the Commission consider IBEW Local 77's concerns? 0: 4 A: The Commission should consider IBEW Local 77's concerns because its members have a 5 unique perspective. IBEW Local 77 represents actual PSE employees who have experienced first-hand the consequences of a change in ownership. 6 The members' 7 quality of work depends on their health, safety, and job satisfaction, which will have a 8 downstream effect on PSE's electric customers. 9 IBEW Local 77 is committed to democracy in the workplace. Affording workers 10 a say in workplace outcomes challenges employees to perform at their best, maintain a 11 vested interest in successful outcomes, and meet professional goals. The proposed 12 change in ownership could lead to workplace changes for IBEW Local 77 members. 13 Given the Commission has not considered IBEW Local 77's members concerns before, 14 they believe it is important to put them forward now. 15 Are you sponsoring exhibits with your testimony? 0: 16 A: Yes. Noted above is a list of exhibits we are requesting be entered in to the record. 17 Q: What is the purpose of your testimony? 18 A: I have been asked by IBEW Local 77 to assess whether the 43.99% transfer by the 19 Macquarie Group will adversely affect the safety, reliability, and customer service to all 20 the electrical customers served by PSE. 21 Q: What is the subject matter of your testimony? 22 I am providing my particular utility expertise to analyze whether this transaction will A:

further increase problems with staffing, overtime, safety, and system reliability.

Q: Please provide your conclusions and recommendations.

A:

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The Multiparty Settlement Agreement leaves much to be desired from IBEW Local 77's perspective. PSE did not engage with IBEW Local 77 in the course of this adjudicative proceeding in addressing potential harms. Consequently, the Multiparty Settlement Agreement does not address the following issues: failure to include any labor union in the definitional terms; lacking commitments to remedy decreased staffing, no commitments to resolve burgeoning overtime hours; no commitment to implement better employee and damage assessor training; no commitment to ameliorate longer outages during storm events; no commitment to use qualified electrical workers and staff in responding to storms and natural disasters; no commitment to using qualified subcontractors; no commitment to decrease vehicle accidents; and no commitments to address succession planning and genuinely using apprenticeship programs.

These should be areas of concern to the Commission given that they directly affect system reliability and safety. PSE requires employees to carry out its operations to serve customers. An overreliance on fewer full-time equivalents (FTEs) with a higher overtime work load directly impacts customers. Similarly, both employees and the public are better served by PSE implementing better training and safety protocols for storm events and emergencies. While PSE is free to utilize subcontracted labor, it should ensure that the third-party contractors are qualified to perform the work safely and effectively, not just cheaply.

Q: What have you based your conclusions and recommendations on?

My conclusions are based on conversations with IBEW Local 77 members, a review of the data provided by PSE, my personal experience supervising work at PSE for over

- twenty-five (25) years, and my background in operating a utility. I feel uniquely qualified to provide my perspective given that I worked directly with PSE, its employees, and customers.
- 4 II. THE COMMISSION SHOULD NOT APPROVE THE MULTIPARTY
 5 SETTLEMENT AGREEMENT GIVEN ITS DEFICIENCIES REGARDING
 6 SAFETY AND RELIABILITY.
- 7 Q: Should the Commission approve the transaction as currently proposed?
- 8 A: No. The Commission should not approve the transaction as currently proposed.
- 9 Q: What potential harms may result because of the proposed transaction?
- 10 A: The potential harms include the acceleration of reduced staffing which could diminish

 11 customer service levels and PSE's ability to respond to emergencies, the acceleration of

 12 overtime hours leading to worker fatigue and safety issues, and unsafe working

 13 conditions.
- 14 Q: What changes have come about as a result of the 2008 transfer?
- 15 A: The data provided by PSE has shown several trends. Reviewing data from 2009 to 2017/2018 shows a 13.8% reduction in staffing² with a correlating 21.9% increase in employee overtime.³ This has included difficulty retaining employees in specific work areas.⁴ PSE has also modified how it responds to storm events utilizing non-qualified electrical workers.⁵ Likewise, PSE has increased a reliance on utilizing third-party contractors.
- 21 Q: How have those changes affected reliability and safety?

² Exh. DTA-3 (*PSE Employee Headcount from 2010 to 2018*).

³ Exh. DTA-4 (*PSE Overtime Hours by Cost Center 2009 to 2018*).

⁴ Exh. DTA-5 (*PSE Employee Terminations from 2010 to 2018*).

⁵ Exh. DTA-6 (*PSE Response to Data Request No. 014*).

The operation and maintenance of any utility is a dynamic challenge. Growth, weather patterns, and aging infrastructure are constant concerns. Because of the longevity of power equipment, deferring maintenance or replacement of equipment in any given year is not, in most cases, a problem. The problem is when you fall too far behind and catchups become costly. Decisions need to be made as to when and how much. Street lights are an example where a group replacement is more economical than individual replacement; replacing with a different type of bulb, mercury vapor to sodium vapor to new LEDs.

I do know that any copper conductor has been in service for well over fifty years. Looking at the worst 150 PSE distribution circuits, their reliability has not improved.⁶ Once again, reliability is dependent on weather, aging, and failing equipment. PSE has lagged in replacing utility poles for transmission. Reviewing PSE's data, from 2010 to present, there was a 37% reduction in pole replacement for King County, a 54% reduction in replacement for Pierce County, and a 63.8% reduction in replacement for Thurston County.⁸

III. IBEW 77'S CONCERNS FALL WITHIN THE COMMISSION'S JURISDICTION AND ARE NOT COVERED BY COLLECTIVE BARGAINING.

Is IBEW Local 77 requesting the Commission to take any action regarding collective O: bargaining?

No. IBEW Local 77 is not requesting the Commission take any action regarding collective bargaining. The issues IBEW Local 77 is raising as potential harms are not

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⁶ Exh. DTA-21 (*PSE Worst Performing Circuits List*)

⁷ Exh. DTA-25 (*Retired Utility Poles Since 2010*) ⁸ Id.

1 remedied through the collective bargaining agreement. They are issues which the 2 Commission can address in ensuring a safe and reliable utility for customers. 3 Q: Is staffing covered by the IBEW Local 77 - PSE Collective Bargaining Agreement 4 ("CBA")? 5 The CBA provides PSE with broad management rights related to staffing. The CBA A: empowers PSE to "manage and control the business." PSE is free to staff, or 6 7 inadequately staff, as it chooses. 8 What ability does PSE have to control staffing? Q: 9 A: PSE has full management control over staffing. 10 What ability does IBEW Local 77 have to control staffing? **Q**: 11 A: IBEW Local 77 has no control over staffing levels. 12 Are issues with an overreliance on overtime covered by the CBA? **Q**: 13 IBEW Local 77 has no language in the CBA regarding amounts of overtime employees A: 14 can or cannot work. The CBA does give PSE the authority to require overtime on an emergency basis. 10 15 What ability does IBEW Local 77 have to control employee overtime? 16 Q: 17 The only control IBEW Local 77 has regarding overtime is how it is applied, such as A: 18 hours beyond a normal shift.¹¹ 19 Are issues with training and storm response covered by the IBEW Local 77 – PSE Q: 20 CBA? 21 A: Storm response training is not covered by the IBEW Local 77-PSE CBA. PSE retains the

discretion to train, or not train, as it chooses.

⁹ Exh. DTA-2, p. 7 (IBEW Local 77 and PSE Collective Bargaining Agreement)

¹⁰ Exh. DTA-2, pp. 12-13 (IBEW 77 and Puget Sound Energy Collective Bargaining Agreement)

¹¹ Exh. DTA-2, pp. 10-11 (IBEW 77 and Puget Sound Energy Collective Bargaining Agreement)

1	Q:	What ability does IBEW Local 77 have to control training and response to storm
2		events or natural disasters?
3	A:	IBEW Local 77 has no authority to control any training in regard to storm events or
4		natural disasters.
5	Q:	What ability does IBEW Local 77 have to enforce hiring or the use of
6		apprenticeship?
7	A:	IBEW Local 77 has no authority to enforce hiring or apprenticeship. The use of
8		apprenticeship falls under the JATC rules.
9	Q:	Are reliability and safety covered by the IBEW Local 77 - PSE CBA?
10	A:	IBEW Local 77 has no say in reliability. PSE and IBEW Local 77 do, however, mutually
11		agree to pursue a safe work environment. However, PSE as the employer, has full
12		discretion on implementing and carrying out safety protocols. IBEW Local 77 is
13		permitted to attend PSE's quarterly safety conferences. 12 Beyond this, safety is
14		controlled by PSE.
15	Q:	If the issues IBEW has identified are not covered by the CBA, how might they be
16		remedied?
17	A:	The Commission is empowered to enforce commitments to ameliorate problems related
18		to safety, reliability, and customer service.
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20	11	V. THE COMMISSION SHOULD ADDRESS SPECIFIC PROBLEMS RAISED BY
21		IBEW LOCAL 77 ON SAFETY, RELIABILITY, AND CUSTOMER SERVICE
22		WHICH ARE LACKING FROM THE PROPOSED SETTLEMENT
2324		AGREEMENT. A. Recognition of Labor Unions in Definitions
∠+		A. Accognition of Labor Unions in Definitions
25	0.	Are labor unions and their interests recognized in the Proposed Settlement?

¹² Exh. DTA-2, pp. 19-20 (IBEW 77 and Puget Sound Energy Collective Bargaining Agreement)

A: 2 and other labor unions. 13 3 Q: Should the Commission recognize IBEW Local 77 in the commitments? 4 A: Yes, at a minimum, the Commission should include IBEWL Local 77 as a "party." IBEW 5 Local 77 employees work in dozens of departments providing a valuable workforce both within office locations and working in and around PSE facilities and equipment. IBEW 6 7 77 employees are in contact with customers every day, both in person and via telephone 8 and other electronic equipment. These employees provide customer account and account 9 coordination and install and restore electrical service each and every day. These 10 employees are an integral part of providing quality electrical service throughout PSE's 11 territory. 12 Q: Why have IBEW Local 77 and other labor unions been left out of the settlement 13 stipulations? 14 A: It is my understanding that PSE has opposed IBEW Local 77's participation in this 15 proceeding along with that of the other labor unions. PSE was unwilling to address the 16 concerns raised by the labor unions in the proceeding and rebuffed all entreaties to 17 address them. 18 **B.** Insufficient Staffing 19 Does the Proposed Settlement address the issue of insufficient staffing? Q: 20 A: The Multiparty Settlement does not adequately address the issue of maintaining staffing 21 and presence in communities where PSE operates at levels sufficient to ensure safe and 22 reliable service to its customers and cost-effective operations.

No. The Multiparty Settlement Agreement definition for "Parties" omits IBEW Local 77

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Are staffing levels adequate to provide quality customer service and reliability?

¹³ See Jon a. Piliaris et al. Joint Testimony, JA-1JT

- A: It is my professional opinion that there are several areas that are understaffed, requiring employees to work excessive overtime to meet the needs of the customers. Total overtime continues to increase with a 26% increase for "A Group" employees between 2014 and 2017. 4 "A Group" employees include those within the servicemen, substation and relays, meter, energy production and system operations.
- Q: Describe your concerns regarding the Customer Access Center (Call Center)
 staffing?
- A: Reviewing the data, an annual turnover of 25% from the Call Center seems unusually high. In many cases this is the first contact with customers who are without power, smell gas, are new to the area and need service, or are having difficulty paying for their electrical and gas service. Trained employees are a necessity to address these issues.

C. Overreliance on Employee Overtime Hours

13 Q: Describe your concerns on employee overtime?

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- There are certain times during a year where overtime is necessary. However, if someone is working overtime every week of the year, the company needs to address the duties and responsibilities of that position and determine if additional personnel are needed or a change in responsibility is in order. Overburdening employees causes burnout and mistakes. Mistakes in the electrical business can be very costly and may result in severe injury.
- 20 Q: Describe your specific concerns regarding first response personnel, including
 21 Service Linemen and their overtime?

¹⁴ Exh. DTA-4 (PSE Overtime Hours by Cost Center 2009-2018).

¹⁵ Exh. DTA-10 (*PSE Employee Terminations from 2010 to 2018*).

Many of these employees work over 1,000 hours of overtime each year. ¹⁶ Combining all, the average total number of hours worked by servicemen for the last three years is over 2,500 hours. This does not include holidays or PTO (Personal Time Off). The top 50 servicemen averaged over 1,100 hours of overtime in 2018. This is equivalent to working nine hours a day, seven days a week, all fifty-two weeks of 2018. The highest two employees worked over 1,500 hours of overtime. This could be a contributing factor to the high motor vehicle accident numbers. ¹⁷

Having supervised servicemen for over two decades, I know that when a serviceman has worked more than 600 overtime hours, my concern for their health and safety increased. The job requires each serviceman to remain on high alert for hazards and customer safety in all kinds of weather and traffic conditions. Servicemen are a proud group of individuals. They work in extreme conditions. They are driven by three factors: greed, pride, and fear. Greed to make as much money as possible, pride in their work and how they can do almost anything, and fear of making a mistake that is dangerous and the fear that if they cannot keep up the pace that someone else will take their job.

Describe your specific concerns regarding System Operations I, II, III, IV, and V?

This is a high stress position requiring a sharp mind and meticulous detail. System Operators direct field personnel, establish electrical switching schemes and provide clearances on de-energized lines. They are responsible for communicating with dozens of crews, servicemen, and substation inspectors on any given day. During storms they must communicate with many contractors who may not be familiar with PSE's electrical system.

Q:

A:

¹⁶ Exh. DTA-7 (PSE Response to IBEW Data Request No. 022); DTA-8 (Servicemen, Substation, Metermen Hours Worked 2013-2018)

¹⁷ Exh. DTA-9 (*PSE Motor Vehicle Incidents 2013 to 2018*).

Operational procedures must be followed to protect the field personnel, firefighters and other first responders, plus the general public. Hazardous conditions can result in fatal injuries. Overtime should not run high with this group.

4 Q: Describe your concerns regarding substation inspectors and wire crews?

While substation and wire crew overtime is not as extreme as the servicemen, they are in close proximity to high voltage systems and mistakes are dangerous and expensive. Obtaining qualified employees for these positions is extremely difficult, with retirements and resignations, and very difficult to fill. There are few places outside of larger utilities that provide apprenticeship programs for wireman. While many electrical contractors employ and train apprentice linemen, I know of none that have a wireman apprentice program.

D. Inadequate Employee Training

Q: Describe your concerns on employee training?

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PSE should emphasize better employee training. There is an overreliance on computer-based training. The lack of hands on, in field experience, leaves employees and customers at risk of harm. State/IBEW approved apprenticeship programs provide optimum safety and education in hazardous utility environments. Increasingly, PSE relies upon a Performance and Learning Management System ("PALMS") to conduct training. Many employees struggle to find the time to complete the PALMS training and its efficacy compared to other forms of instruction is in doubt.

There are many areas of training needed within PSE, both for unions and exempt employees. While the utility industry may not see the rapid changes other industries see, it is important to continue to improve and provide safer, reliable and the most cost-effective

service possible. The ability to have more mobile information within each vehicle and make decisions remotely helps, but also can cause problems. Employees must know the consequences of these decisions and who they will affect. Customers have access to mobile devices and information provided by PSE must be current and accurate; a huge challenge during major events.

Q: Describe your concerns on the damage assessor program?

The damage assessors and their training are an area of concern for me. Safety has always been an area of concern for me. Understanding the hazards of the electrical system and the other road and weather-related problems found during any storm is a must. After having reviewed the list of assessors (both IBEW-represented and exempt) who perform storm damage, I am concerned about their qualifications.¹⁸

There are over 200 damage assessors listed by PSE. ¹⁹ I have no idea the training or education of any of the exempt employees. Some may be highly qualified while others could be recently hired and eager to take on any challenge. Sometimes it takes seeing and feeling the heat of an electrical fault that is too close, to understand the power dispensed by an electrical arc. Sometimes you cannot see, feel, or smell the danger. These are a small minority of the incidences, but they are the most dangerous. During storms it can been very dark, the weather can remain inclement, and there are numerous other road hazards.

Knowing the difference between all the various wires and cables is of the utmost importance. Serious injury can result with just one wrong step. PSE needs to carefully review the tasks they are asking each of these damage assessors to perform. Having been

¹⁸ Exh. DTA-11 (Non-High Voltage Worker); Exh. DTA-12 (Wire Guard and Damage Assessor List).

¹⁹ Exh. DTA-12 (Wire Guard and Damage Assessor List)

an eager young engineer, I know it is easy to overstep one's understanding without a

2 trained experienced partner within each team.

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3 Q: Describe an example where PSE Damage Assessors (Wire Guard Team) made a serious error?

A serious incident took place in March 2016 at Anderson Landing near Silverdale, Washington. A PSE power line fuse did not open when the line was reenergized. The downed power line burned the earth in many places, turning the soil to glass. Two PSE damage assessors (salaried employees), who were not high-voltage qualified electrical workers, tended to the scene. Both damage assessors had completed PSE's "training." They walked around in dark conditions for nearly twenty minutes following the line, placing themselves in serious danger. They erroneously concluded that the downed powerline was not energized since it was wrapped in a felled maple tree. They left a pink "storm damage" ticket upon the pole and departed the scene.

The two damage assessors failed to recognize the line was in fact still energized. The following day, a tree crew entered the scene and quickly noticed the downed line. A Wave Cable employee also came on scene to make repairs. The Wave Cable employee walked through the area and unknowingly brushed the downed line. A surge of

²⁰ Exh. DTA-14 (Labor & Industries 2016 Inspection Citation); DTA-15 (Labor & Industries 2016 Enforcement File for Anderson Landing Incident).

²¹ Exh. DTA-20 (Picture of Downed Line at Anderson Landing)

²² Exh. DTA-14 (Labor & Industries 2016 Inspection Citation); DTA-15 (Labor & Industries 2016 Enforcement File for Anderson Landing Incident).

²³ Exh. DTA-15 (Labor & Industries 2016 Enforcement File for Anderson Landing Incident); Exh. DTA-13 (Damage Assessor Training).
²⁴ Id.

²⁵ Exh. DTA-15 (Labor & Industries 2016 Enforcement File for Anderson Landing Incident); Exh. DTA-17 (Picture of Damage Assessor Pink Tag at Anderson Landing)

²⁶ Exh. DTA-15 (Labor & Industries 2016 Enforcement File for Anderson Landing Incident)

²⁷ Exh. DTA-15 (Labor & Industries 2016 Enforcement File for Anderson Landing Incident); DTA-16 (Picture Diagram of Anderson Landing Incident).

- electricity entered his body through his head and exited out his arm.²⁸ The electrocution was so severe his hair was singed off.²⁹ He was severely injured losing an arm but survived.³⁰ As a result, L&I cited PSE for: (1) failing to control its system and (2) exposing several people to electrical hazard.³¹ The downed line had been hot for 57 hours before it was remedied.
 - Q: Should PSE use unqualified damage assessors?
- A: No. There are many challenges facing the restoration of service to customers.

 Understanding the differences between each is a must. There is a big difference between a limb on a single-phase line and a broken three phase feeder pole lying across the road. I do not believe non-high voltage qualified electrical workers should be assessing storm damage. PSE only recently began tracking injuries to non-employees related to its equipment. PSE's own data shows a surprising nine injuries in 2018 alone. At a specific part of the customers are storaged to customers.
- 13 Q: What limits do other utilities place on people who assess storm damage?
- A: Other utilities, including Snohomish PUD, do not permit damage assessors to leave their vehicles. This ensures they will not walk in to an electrical hazard which can often be unseen in wooded areas. Keep in mind, most storms happen when it is dark, cloudy, and visibility is low. If PSE is to keep using unqualified people to assess storm damage, limits and/or safeguards should be imposed.

19 **Q:** What other training issues exist for PSE workers?

²⁸ Exh. DTA-16 (Picture Diagram of Anderson Landing Incident)

²⁹ Exh. DTA-18 (Picture of Wave Employee Singed Vest Post-Electrocution); DTA-19 (Picture of Wave Employee Hat Post-Electrocution).

³⁰ Exh. DTA-14 (Labor & Industries 2016 Inspection Citation); Exh. DTA-15 (Labor & Industries 2016 Enforcement File for Anderson Landing Incident)

³¹ Ĭd.

³² Exh. DTA-11(Non-High Voltage Worker); DTA-12 (Wire Guard and Damage Assessor List)

³³ Exh. DTA-22 (Electrical Contact Injuries to Non-PSE Employees)

³⁴ Id.

A: With a limited number of helper jobs available, prospective journeymen and women can only guess what the actual duties and responsibilities of taking an apprentice position entail. Unless each is given an opportunity to understand the responsibilities, it is difficult for them to make life-changing and career-changing transitions without knowing what is expected of them. They should be provided more opportunity to experience different positions.

E. Failure to Ensure Reliability During-and-After Storm Outages

Describe the issues with reliability during and after storm outages?

Storms are unpredictable. Certain storms cause more damage in one area than others. One storm might hit Skagit and Whatcom Counties, while another could impact Island and Kitsap Counties. A major storm traveling around the Olympic Mountains can cause havoc to Thurston, Pierce, and King Counties. Low barometric pressure and the force of the pressure gradient determines where the most damage will occur. It is not whether there will be a storm in November, but how many. Over the last several months there seems to have been more than usual. In 2017, PSE paid 24-Hour Restoration credits to 250 customers.³⁵

Q: What was your experience with the storms for 2018?

The December 20, 2018 storm was particularly severe. It impacted Whidbey Island, Kitsap County, and most of Skagit and Whatcom Counties. The following storm hit Enumclaw and the southern parts of King and Pierce Counties. The third storm hit Whidbey Island again along with parts of Skagit, Whatcom and Kitsap Counties. Restoration times neared five days and, in a few cases, exceeded five days. The length of repair times is directly correlated to the number of crews available, types of damage and

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³⁵ Exh. DTA-23 (24-Hour Restoration Guarantee)

where the crews are sent to respond. I watch with interest and knowledge how restoration is done. If asked to give a grade for the response in winter 2018, it would be a "D".

Q: Describe why you think PSE has poorly responded to storm events?

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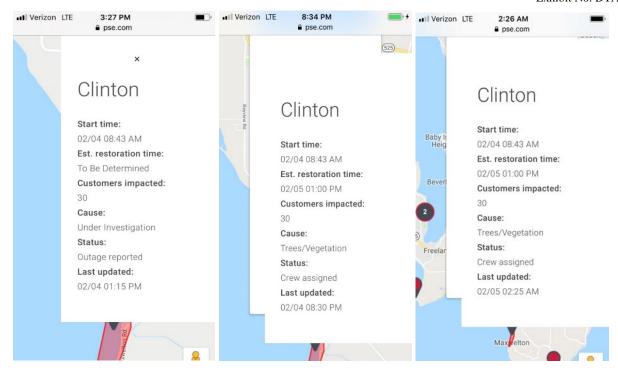
First is the number of crew personnel assigned. There were not enough. It appears to me that PSE has determined that a much smaller number of crews are sufficient to operate and maintain the system. I talked to several crew members from outside the PSE service area who were brought in to make repairs. While I cannot speak to the total number assigned around all the counties, I can talk about those assigned to Whidbey Island. For the first few days there were scarcely any. The whole island was without service. Looking at my PSE outage App, the island was bathed in red. It was difficult to tell how many outages there were because the two big transmission lines serving the island were on the ground.

Driving around the island, it was clear the damage was immense. There were major problems everywhere. Numerous customers were out of service until late Christmas Eve. In certain areas, crews did not start showing up in any numbers until three days after the storm. As far as information available to customers via the PSE phone App, it was useless. It said all services would magically happen at 6pm on Christmas Eve.

O: Describe the issues you experienced with the February 2019 storm?

The second storm to hit Whidbey happened February 4, 2019 early in the morning.

There was not as much damage, yet PSE provided a poor response. Once again, the phone App was completely worthless.



Q: Describe how delayed construction and updating of infrastructure impacted outages?

A: PSE seems to be deferring more and more construction projects and the replacement of decaying infrastructure. An example is the Maxwelton Substation promised to be constructed in 2010 by a vice president from PSE in 2008 at a public meeting concerning the formation of a PUD on Whidbey Island. The substation was to increase reliability and was deferred for another eight years.

Q: Describe the issues you have identified with PSE's circuits.

A: Some of the worst performing PSE circuits continue to operate poorly over time. As an example, CHI-12 ("CHICO") has performed poorly for the past twenty years.³⁶ CHICO did not perform adequately when I was employed at PSE. Glaringly, most of the top ten poorly performing circuits have been on that list for a significant period of time.³⁷ The

37 Id.

³⁶ Exh. DTA-21 (PSE Worst Performing Circuits List)

- 1 majority of these circuits are in rural areas lacking improvements to increase reliability.
- I do not believe these rural customers pay less for their service.

3 Q: How might these storm problems be remedied?

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A: Service restoration is directly related to the number of crew personnel in any area, region or county. Coordinating and allocation resources is an ever-changing challenge. Having crews in given areas require planning and direction. In some of the more rural areas there are few crews, leaving the responsibility to others who must travel for extended periods.

In two counties it may require using the Washington State Ferry system, which does not

run 24 hours per day. PSE must consider having some of its own crews in these areas.

F. Failure to Utilize Qualified Electrical Workers in Outages Resulting in Greater Risk of

Harm to Employees and the Public

Q: Describe the issues related to outages and potential hazards?

During and right after storms many hazards exist. This ranges from downed wires and poles to trees on powerlines and across roads. The most dangerous is live wires on the ground. They can be deadly. Every effort is made so this will never happen, but it still will happen given the wrong circumstances. To the trained individual, an energized conductor on the ground can be hard to recognize. There are different signs to look for, but the only way to truly be sure is to ground the conductor. This takes a trained professional. Firefighters responding to car-pole accidents with live wires has always been one of my worst nightmares.

Q: Describe some of the issues you have seen?

A: I continue to see city and county employees moving wires and cutting trees off conductors. During the December 20, 2018 storm, I watched a county crew cutting trees

that were blocking roads with wires underneath the tree and in one case a tree blocking the road twelve feet off the ground resting on a brand-new tree wire feeder. I do not know if this is happening more often or not, but better education is needed. There are also individuals removing trees from across roads, sometimes with power, telephone and or cable TV lines underneath the trees. Electricity is not very forgiving.

G. Issues Regarding Subcontracted Labor

Q: Describe the issues IBEW 77 has regarding subcontracted labor?

IBEW Local 77 wants to ensure that PSE uses qualified subcontractors. PSE has increasingly relied on subcontracts since it no longer has its own line crews on PSE property. PSE should put an emphasis on ensuring these contractors are trained, understand safe work practices, and understand the working rules within the State of Washington.

H. Decrease in Vehicle Safety

Q: Describe your concerns regarding vehicle safety?

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PSE has steadily held at a high rate of accidents for a utility.³⁸ There are more cars on the road today and during dark, rainy nights, and windy evenings. Servicemen and women, plus many others, need to be aware of all the hazards. Traveling any major thoroughfares during morning or evening commutes is demanding. Working long hours and traversing back roads only adds to the challenge. As noted previously, overtime hours are up across the board, including driving.³⁹

Q: Describe your concerns regarding vehicle maintenance?

³⁹ Exh. DTA-4 (*PSE Overtime Hours by Cost Center 2009-2018*)

³⁸ Exh. DTA-9 (PSE Motor Vehicle Incidents 2013 to 2018).

A: Vehicle maintenance is also a must. Finding and maintaining a good relationship with local repair facilities is a requirement. Most servicemen and substation inspectors live in their trucks. They have all the necessary tools and equipment necessary to do their jobs.

A loaner car is not worth much to them. PSE must be diligent in pursuing qualified technicians who can respond to their needs.

I. <u>Inadequate Succession Planning and Underutilization of Apprenticeship</u>

Q: Describe your concerns regarding apprenticeship at PSE?

PSE has underutilized the Path to Apprenticeship. PSE's workforce has aged and many are retiring. Younger people may lack the understanding that this industry provides. The industry and PSE need to find ways to better recruit skilled replacements. The utility needs to draw upon a pipeline of skilled workers. As an example, PSE could utilize more apprentices at the Baker River Generation facility and Meter Network Services. 40

13 Q: How does a decrease in apprenticeship affect system reliability?

A: PSE's system is less reliable when it cannot draw on a pipeline of qualified people. The utility will not operate itself. PSE could increase its recruitment for both apprentices and helpers.

V. CONCLUSION

It is apparent that there are issues regarding the PSE 43.99% sale to several management funds. A balance between customers, employees, and shareholders is lacking. Increasingly, money and earnings drive decisions, leaving customer service and employees as liabilities. There are issues of degrading service reliability, concerns about employees facing longer and more difficult tasks, and the safety of the customers, employees, and the general public. I understand PSE's ability to outsource nearly all its

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⁴⁰ Exh. DTA-24 (Apprentices by Department)

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construction and maintenance, but there should not be an unrealistic burden placed on employees through reduced staffing and excessive overtime. I do not question the use of contractors, however, an overreliance on them is out of step with other utilities. The Commission should rightly address these issues.