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VIA FEDEX NEXT DAY

July 30, 2010

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17120

L-00030161

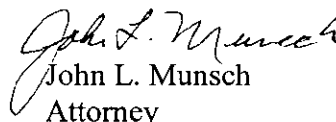
Re: 2010 Second Quarter Reliability Report of Allegheny Power

Dear Secretary Chiavetta:

Enclosed please find an original and six copies of the **2010 Second Quarter Reliability Report of Allegheny Power** filed pursuant to 52 Pa. Code §57.195. Copies of the Report have been served on the parties to Allegheny Power's reliability standards and benchmarks proceeding at Docket No. M-00991220F0003.

This filing is made by FedEx Next Day delivery, and the filing date is deemed to be today.

Very truly yours,


John L. Munsch
Attorney

Enclosures

cc: Certificate of Service
Darren G. Gill, Bureau of CEEP

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PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

Re: 2010 Second Quarter Reliability Report of Allegheny Power

CERTIFICATE OF SERVICE

I certify that this 30th day of July, 2010, I have served a true and correct copy of the **Reliability Report** of Allegheny Power, by first-class mail, postage prepaid, upon the following:

Office of the Consumer Advocate
555 Walnut Street
Forum Place, 5th Floor
Harrisburg, PA 17101-1923

Office of Small Business Advocate
Suite 1102 Commerce Building
300 North Second Street
Harrisburg, PA 17101

David J. Dulick
Pennsylvania Rural Electric Assn.
212 Locust Street, 2nd Floor
Harrisburg, PA 17101

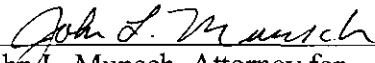
Scott J. Rubin, Esquire
Utility Workers Union of America
333 Oak Ln.
Bloomsburg, PA 17815

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SECRETARY'S BUREAU

Date: July 30, 2010



John L. Munsch, Attorney for
WEST PENN POWER COMPANY,
d/b/a ALLEGHENY POWER
Pa. Attorney I.D. No.: 31489
800 Cabin Hill Drive
Greensburg, PA 15601
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Allegheny Power Quarterly Report for Second Quarter 2010

This quarterly report is being submitted in accordance with Title 52. Public Utilities - Part I. Public Utility Commission -Subpart C. Fixed Services Utilities – Chapter 57. Electric Service Subchapter N. Electric Reliability Standards.

§ 57.195 (e) (2) The name, title, telephone number and e-mail address of the persons who have knowledge of the matters, and can respond to inquiries, shall be included.

Timothy M Croushore
General Manager, Reliability Performance
(724) 838-6198
tcroush@alleghenypower.com

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§ 57.195 (e) (1) A description of each major event that occurred during the preceding quarter, including the time and duration of the event, the number of customers affected, the cause of the event and any modified procedures adopted in order to avoid or minimize the impact of similar events in the future.

- a. The following Major Events occurred during the second quarter of 2010. Note that these events are excluded based upon the proposed service-area-wide definition.
- b. Major events occurred on the following dates. A description of the event follows and the PUC approval is attached as Appendix VI.
 - No Major Events in the second quarter.
- c. Allegheny Power's Restore Service Process Management Team constantly monitors the process and conducts post-event meetings in an attempt to enhance the restoration process for future events.
- d. In addition to major events, Allegheny Power tracks the effects of major weather events (Restore Service or "RS" Events) that do not meet the 10% exclusion threshold but have a major effect on reliability statistics. Because Allegheny Power's Pennsylvania territory is spread across four weather zones, large regional storms are typically not excluded, even though they often require massive restoration efforts. During the second quarter, AP's Pennsylvania service territory experienced three RS Events May 8, June 4, and June 23. These items are discussed in more detail in section (e)(2).

§ 57.195 (e) (2) Rolling 12-month reliability index values (SAIFI, CAIDI, SAIDI, and if available, MAIFI) for the EDC's service territory for the preceding quarter. The report shall include the data used in calculating the indices, namely the average number of customers served, the number of sustained customer interruptions, the number of

customers affected, and the customer minutes of interruption. If MAIFI values are provided, the report shall also include the number of customer momentary interruptions.

- a. The following table provides Pennsylvania's 12-month ending reliability statistics for month ending June 2010. MAIFI statistics are not recorded nor readily available at Allegheny Power. As disclosed in prior filings, sufficient field equipment is not available to provide meaningful data for momentary interruptions.

	Approved	Rolling	Rolling	2nd qtr 2010
Reliability	Settlement	12-Month	3-Yr Avg.	Performance
Indices	Benchmarks	Standard	Standard	(Rolling 12-month)
SAIFI	1.05	1.26	1.16	0.98
CAIDI	170	204	187	159
SAIDI	179	257	217	155

Data supporting indices:

Zone	Locations	Incident Devices	Interrupted Customers	Avg Cust Served	kVA	Calls	CMI	SAIDI	ASAI	CAIDI	SAIFI
Pennsylvania	9823	14596	695897	711,584	7,184,389	98,802	110,276,804	155.01	0.999705	158.5	0.98

Discussion supporting statistics:

Analysis of 2nd Quarter 2010 Statistics:

RS Events affecting AP's PA service centers in the 2nd quarter 2010 totaled 38,009 customers interrupted 7,369,046 CMI. These events are included in statistics.

§ 57.195 (e) (3) Rolling 12-month reliability index values (SAIFI, CAIDI, SAIDI, and if available, MAIFI) and other pertinent information such as customers served, number of interruptions, customer minutes interrupted, number of lockouts, and so forth, for the worst performing 5% of the circuits in the system. An explanation of how the EDC defines its worst performing circuits shall be included.

- a. This report provides a listing of all Pennsylvania circuits ranking in the lowest five percent as ranked by DCII. The report is attached as Appendix I.
- b. A description of the DCII is presented in Appendix V.

§ 57.195 (e) (4) Specific remedial efforts taken and planned for the worst performing 5% of the circuits as identified in paragraph (3).

- a. Allegheny's current process for addressing poor performing circuits and line segments is outlined in the Reliability Improvement Program (RIP). The details of which have been previously submitted to the Commission staff. In summary, the RIP program addresses all circuits experiencing two or more lockouts as well as any other protective device experiencing

multiple operations. Field personnel review outages on these circuits or line segments and corrective action is taken as necessary to address any immediate reliability concerns.

- b. Remedial work for the 5% circuits is shown in Appendix II. Field personnel review these circuits quarterly. After the third quarter reporting is complete, outage causes are evaluated and action plans are developed for circuits requiring more comprehensive maintenance and these plans are incorporated in next year's budgets and work plans.
- c. AP has continued a circuit improvement process whereby AP's recent 100 worst performing circuits are identified, studied, and targeted for further possible improvements based on the review of outage causes. Approximately one-third of these circuits are Pennsylvania circuits. This program is being integrated into the RIP process.

§ 57.195 (e) (5) A ROLLING 12-MONTH breakdown and analysis of outage causes during the preceding quarter, including the number and percentage of service outages, THE NUMBER OF CUSTOMERS INTERRUPTED, and customer interruption minutes categorized by outage cause such as equipment failure, animal contact, tree related, and so forth. Proposed solutions to identified service problems shall be reported.

- a. A summary of outage causes by customers interrupted and by customer minutes interrupted follows.
- b. Note that 67% of all customer interruptions are caused by non-equipment-related causes. Also note that 85% of customer minutes interrupted by trees are a result of trees falling from outside of the right-of-way.
- c. AP's definition of tree-related outages includes those cases where trees have fallen as a result of severe weather conditions.
- d. 'Weather' definition includes weather-related outages involving lightning damage, severe snow/ice loading, extreme wind, flooding, etc. and does not include tree-related outages.

Outage Cause	Incidents 12 Month ending June 10		Customers Interrupted 12 Month ending June 10		Customers Minutes Interrupted 12 Month ending June 10	
	Number	Percent	Number	Percent	Number	Percent
Animals	1,251	8.6%	35,110	5.0%	2,958,209	2.7%
Overhead Equipment Failure						
Overhead Line Equipment	1,094	7.5%	28,184	4.1%	2,778,351	2.5%
Overhead Line Material	1,628	11.2%	90,560	13.0%	9,712,625	8.8%
Overhead Wire	1,062	7.3%	53,361	7.7%	5,385,110	4.9%
Underground Equipment						
Underground Line Material	42	0.3%	579	0.1%	128,750	0.1%
Underground Line Equipment	88	0.6%	817	0.1%	225,846	0.2%
Underground Cable	366	2.5%	9,070	1.3%	2,073,284	1.9%
Service Equipment	15	0.1%	2,479	0.4%	45,900	0.0%
Substation Equipment	214	1.5%	47,054	6.8%	3,756,447	3.4%
Other	154	1.1%	7,068	1.0%	1,152,281	1.0%
Public/Customer	1,286	8.8%	78,502	11.3%	9,114,584	8.3%
Trees						
On Right of Way	687	4.7%	37,189	5.3%	7,386,291	6.7%
Off Right of Way	3,434	23.5%	156,965	22.6%	41,740,992	37.9%
Unknown	1,625	10.4%	67,045	9.6%	6,700,539	6.1%
Weather	1,749	12.0%	81,914	11.8%	17,117,597	15.5%
Total	14,595	100%	695,897	100%	110,276,006	100%

Allegheny Power's Outage Management System (OMS) tracks the number of incidents recorded for a circuit. This number does not necessarily reflect the number of exact outages on a circuit. One outage may be recorded as multiple incidents on different phases or grouped to different sectionalizing devices, especially with sectionalizing large outages. It should be noted that the number of incidents on a circuit may be overstated due to the way similar incidents may not have grouped together in OMS. These also do not represent 'unique' incidents.

§ 57.195 (e) (6) Quarterly and year-to-date information on progress toward meeting transmission and distribution inspection and maintenance goals/objectives (FOR FIRST, SECOND AND THIRD QUARTER REPORTS ONLY).

- a. A report attached as Appendix III provides a listing of updates to the planned T&D goals for 2010.
- b. AP's goals may vary slightly throughout the year as work may be modified to meet new or changing field conditions. Some work has more inherent uncertainty associated with establishing budgets and goals more than a year ahead of time.

§ 57.195 (e) (7) Quarterly and year-to-date information on budgeted versus actual transmission and distribution operation and maintenance expenditures IN TOTAL AND DETAILED BY THE EDC'S OWN FUNCTIONAL ACCOUNT CODE OR FERC ACCOUNT CODE AS AVAILABLE. (For first, second and third quarter reports only.)

O&M Category	2nd Qtr Actual	2nd Qtr Budget	YTD Actual	YTD Budget
.....Distribution Admin_CC	\$ (55,193)	\$ (328,907)	\$ (408,943)	\$ (474,103)
.....Distribution System Operations_CC	\$ 493,550	\$ 523,217	\$ 435,879	\$ 511,976
.....Asset Management_CC	\$ (10,183)	\$ 184,274	\$ (8,771)	\$ 357,944
.....Distribution Support_CC	\$ 2,148,338	\$ 8,788,298	\$ 20,288,884	\$ 14,647,834
.....Field Operations_CC	\$ 4,201,097	\$ 4,263,530	\$ 7,288,709	\$ 7,631,996
.....Distribution Forestry_CC	\$ 2,006,914	\$ 2,159,734	\$ 3,277,708	\$ 4,313,340
.....Transmission Other_CC	\$ 240,804	\$ (56,688)	\$ 559,850	\$ 111,507
.....Substations_CC	\$ 1,133,589	\$ 1,165,178	\$ 2,326,771	\$ 2,208,374
.....Technical Services - Delivery_CC	\$ 648,582	\$ 848,295	\$ 1,310,136	\$ 1,690,910
.....Transmission Forestry_CC	\$ 728,459	\$ 517,409	\$ 1,254,727	\$ 940,024
.....Transmission Projects_CC	\$ 24,287	\$ 134,062	\$ 448,061	\$ 249,703
.....Transmission Siting_CC	\$ 108,553	\$ 132,129	\$ 236,909	\$ 281,996
.....EHV Projects_CC	\$ 3,172		\$ 8,258	
.....Dist Safety Training Quality	\$ 277,511	\$ 152,448	\$ 397,324	\$ 270,038
.....Trans Reliability & System	\$ 54,820	\$ 58,183	\$ 110,869	\$ 112,487
.....EMG Support_CC	\$ 302,247	\$ 290,590	\$ 544,512	\$ 568,576
.....Transmission System	\$ 467,657	\$ 486,623	\$ 886,300	\$ 956,797
.....Transmission Operations	\$ 25,047	\$ 36,115	\$ 49,472	\$ 71,318
Total	\$12,799,060	\$ 19,356,490	\$ 39,007,655	\$ 34,450,716

Note that negative amounts reflect general supervision and engineering overheads that are billed to external parties. These amounts are offsets to charges that are embedded in all other categories.

§ 57.195 (e) (8) Quarterly and year-to-date information on budgeted versus actual transmission and distribution capital expenditures; IN TOTAL AND DETAILED BY THE EDC'S OWN FUNCTIONAL ACCOUNT CODE OR FERC ACCOUNT CODE AS AVAILABLE. (For first, second and third quarter reports only.)

Plant code	Category	2nd Quarter Actual	2nd Quarter Budget	YTD Actuals	YTD Board Approved
03	EHV Substation	\$ 2,307,327	\$ 955,654	\$ 2,744,720	\$ 1,407,055
04	EHV Lines	\$ 236,344	\$ 182,916	\$ 282,278	\$ 250,979
05	Transmission Substations	-\$ 1,038,773	\$ 1,144,946	-\$ 432,469	\$ 631,201
06	Transmission Lines	\$ 680,214	\$ 1,836,777	\$ 1,641,350	\$ 3,821,408
07	Distribution Substations	\$ 346,203	\$ 2,388,319	\$ 2,521,647	\$ 6,389,743
08	Distribution Lines	\$ 11,538,276	\$ 11,456,195	\$ 25,750,117	\$ 21,663,618
09	General Plant	\$ 1,729,995	\$ 2,838,597	\$ 3,636,534	\$ 5,189,878
11	Subtransmission Lines	\$ 497,361	-\$ 107,709	\$ 898,651	-\$ 404,676
	Totals	\$ 16,296,947	\$ 20,695,695	\$ 37,042,828.26	\$ 38,949,204.79

§ 57.195 (e) (9) Dedicated staffing levels for transmission and distribution operation and maintenance at the end of the quarter, in total and by specific category (for example, linemen, technician and electrician).

Position	Quantity
Lead Lineman Count	86
Lineman A Count	47
Serviceman A Count	71
Serviceman Apprentice Count	8
Serviceman B Count	25
Serviceman C Count	12
SS Crew Leader Maintenance Count	14
SS Electrician A Count	39
SS Electrician Apprentice Count	1
SS Electrician B Count	3
SS Electrician C Count	3
System Transmission Crew Lead LineWorker Count	1
System Transmission Crew Lineworker A Count	5
Utilityman A Count	3
Utilityman B Count	2
Grand Count	320

§ 57.195 (e) (10) Quarterly and year-to-date information on contractor hours and dollars for transmission and distribution operation and maintenance.

Contract dollars include capital as well as O&M work as available from AP financial reporting system. Note that much of AP's contracted work involves firm price contracts for which no man-hours are documented. Please note that the negative amount for the quarter is a reflection of overestimating prior commitments in the first quarter for accruals and actuals coming in less than forecasted.

Quarter	Contract Dollars - Qtr	Contract Dollars - YTD
1 st qtr	\$ 10,535,413	\$ 10,535,413
2 nd qtr	\$ (87,533)	\$ 10,447,881

§ 57.195 (e) (11) Monthly call-out acceptance rate for transmission and distribution maintenance workers PRESENTED IN TERMS OF BOTH THE PERCENTAGE OF ACCEPTED CALL-OUTS AND THE AMOUNT OF TIME IT TAKES THE EDC TO OBTAIN THE NECESSARY PERSONNEL. A BRIEF DESCRIPTION OF THE EDC'S CALL-OUT PROCEDURE SHOULD BE INCLUDED WHEN APPROPRIATE.

- a. Attached as Appendix IV is a report indicating call out acceptance for the each service center in AP Pennsylvania service territory.
- b. The monthly call-out acceptance rate does not include statistics for crewmembers who are assigned ready-response duties, where applicable.
- c. Allegheny Power implemented its Automated Resource Call Out System (ARCOS) on June 10, 2005 to track the amount of time to obtain necessary personnel.
- d. The average callout acceptance time per worker per list called was 5.7 minutes in the quarter. This number represents the elapsed time per callout list divided by the number of people that accepted. This time includes ready response, which has an elapsed time of 0 minutes. The data is only for linemen and electrician callouts. Allegheny Power has developed a method to calculate average callout acceptance time per crew from our automated system; for the quarter, the average response time per crew was 6.5 minutes.

Allegheny Power compliance with terms of July 20th, 2006 Reliability Settlement Petition Opinion and Order:

Item	Description	Compliance Status
1	Make adjustments to vegetation maintenance practices to reduce its rights-of-way clearing cycle to no longer than four (4) years.	Allegheny Power currently manages Vegetation Maintenance (VM) work to provide optimization of reliability statistics within the constraints of our existing budget. We have developed a program that considers several circuit factors when scheduling and assigning specifications for VM work. These factors include tree related CMI over the past 3 years, time since last trimmed as well as # of customers being served by any particular section of line as well as the whole circuit. This methodology, although it does not result in total vegetation management on a 4 year cycle has resulted in acceptable reliability statistics to date.
2	Make adjustments to vegetation program to include an assessment of off-right-of-way danger trees.	Off R-O-W danger trees continue to be evaluated during vegetation management cycle and removed if necessary and agreeable to tree owner.
3	Maintain 12-year pole inspection cycle for distribution and sub-transmission wood poles	A 12-year cycle inspection cycle is planned for poles. All 2009 pole inspection work has been completed. Approximately 30% of the 2010 pole inspection program was completed in late 2009. Funding for the remainder of the 2010 pole inspection program has been suspended. At this time a firm schedule for the remaining 2010 cycle has not been defined.

4	Maintain 12-year facilities inspection cycle for distribution and sub-transmission wood poles	Distribution and subtransmission equipment is inspected on a 12-year cycle. Approximately 30% of the distribution and sub-transmission facilities inspections associated with the 2010 pole inspection program were completed in late 2009. Funding for the remainder of the 2010 facilities inspection program has been suspended. At this time a firm schedule for the remaining 2010 cycle has not been defined.
5	Inspections to include visual inspections of pole, materials and equipment contained thereon from ground line to top of pole, hammer soundings, borings, excavation and treatment of pole.	Inspections include visual inspections of poles, equipment attached to poles, hammer soundings, excavation, borings, and treatment if necessary.
6	Perform a mid-cycle visual inspection of poles and equipment such that all circuits are inspected, on average, every 6 years. Incorporate reliability performance and performance of materials and equipment into the prioritization of circuits.	Mid-cycle inspections are made on average every six years.
7	Perform a line workforce study and substation workforce study	Complete
8	Deliver study to Parties within 60 days of final entry of non-appealable Order.	Delivered to Local 102 on 10/24/06; PREA on 3/7/2007
9	Discuss study with Parties within 10 days of delivery.	Met with Local 102 on 10/24/06
10	Within 60 days of entry of final non-appealable order, provide parties with copies of all reliability-related reports filed with the Commission under 52 Pa. Code 57.195 and any additional monitoring reports or compliance reports that may be required under 52 Pa. Code 57.194(h)(1).	Effective 3rd quarter 2006 report.
11	In quarterly and annual reports, include a section reporting on compliance of settlement	Effective 3rd quarter 2006 report.
12	PREA/AEC - meet semi-annually (first meeting to be held no later than 45 days of the date of the final, non-appealable order	First meeting held 9/14/06
13	PREA/AEC meeting - Discuss most recent outages with particular emphasis on those with duration > 120 minutes	Discussed at 4/21/2010 semi-annual meeting
14	PREA/AEC meeting - Identify and agree on mutual delivery points that serve critical services/customers	Discussed at 4/21/2010 semi-annual meeting
15	PREA/AEC meeting - discuss five "worst performing" Delivery Points	Discussed at 4/21/2010 semi-annual meeting

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Appendix I – Worst Performing 5% Distribution Circuit Statistics

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

SCName	SSName	CktName	CustServed	DCII	SAIFI	SAIDI	CAIDI	ASAI	CMI	CustIntrup	CircuitLockouts	Incidents	Miles
Arnold	ALL DAM NO. 5	SCHENLEY	187	55	2.51	373	148	0.999290	69,614	469	2	17	6
Arnold	ALLERIVER	ALLERIVER	181	29	4.91	574	117	0.998908	103,766	888	3	29	13
Arnold	TUNNELTON	TUNNELTON_DIST	100	15	2.88	988	344	0.998120	98,622	287	1	14	6
Arnold	WATSON	WATSON	339	58	1.62	378	233	0.999281	128,092	549	1	23	23
Butler	BUENA VISTA	HOOVER	301	71	0.14	62	458	0.999882	18,773	41	-	4	23
Butler	HARRISVILLE	HARRISVILLE	0	100	0.00	-	-	1.000000	-	-	-	-	-
Butler	KARNS CITY	DAUGHERTY	101	35	0.09	98	1,103	0.999814	9,927	9	-	5	6
Charlertoi	SMITHTON	HUTCHINSON	861	85	0.44	66	150	0.999874	56,882	380	-	18	36
Charlertoi	VANCEVILLE	VANCEVILLE	1332	47	3.09	467	151	0.999111	621,817	4,116	2	62	106
Clarion	NEW BETHLEHEM	CLIMAX	1126	76	1.30	159	122	0.999697	178,738	1,467	1	19	78
Hyndman	PURCELL	ARTEMAS	536	75	1.39	170	122	0.999677	91,355	748	1	19	99
Jeannette	PENN	GASKILL AVE	2084	77	1.33	142	107	0.999730	296,674	2,781	1	57	38
Jeannette	SEWICKLEY	ADAMSBURG	2075	40	4.27	453	106	0.999138	939,450	8,865	4	48	42
Jeannette	YOUNGWOOD	HUNKER	794	89	0.30	36	122	0.999932	28,578	235	-	12	32
Jefferson	GREENSBORO	POLAND	154	31	2.19	752	342	0.998569	115,735	338	1	17	9
Jefferson	RUTAN	BRISTORIA	1183	22	3.46	844	244	0.998394	998,856	4,094	1	102	193
Jefferson	RUTAN	WINDRIDGE	1274	66	1.04	270	259	0.999486	344,394	1,328	-	44	179
Latrobe	STAHLSTOWN	KREAGER	275	(2)	6.89	912	132	0.998265	251,216	1,896	-	50	26
Latrobe	STAHLSTOWN	MANSVILLE	499	69	1.88	223	119	0.999576	111,012	936	-	19	41
McConnellsburg	CLEARVILLE	CLEARVILLE	611	55	1.75	417	239	0.999207	254,719	1,067	1	20	107
McConnellsburg	EMMAVILLE	STONEY BREAK	364	57	2.35	365	155	0.999306	132,863	857	1	14	55
McConnellsburg	WARFORDSBURG	BUCK VALLEY	792	77	0.28	85	304	0.999838	67,154	221	-	13	91
McDonald	HICKORY	HICKORY	930	79	0.74	129	175	0.999755	119,638	684	-	32	72
McDonald	SMITH	FLORENCE	778	14	5.66	760	134	0.999554	590,968	4,405	5	62	80
Pleasant Valley	IRON BRIDGE	ALVERTON	684	26	3.15	796	253	0.998486	544,717	2,154	3	23	26
Pleasant Valley	KING FARM	BELSON RUN	461	69	1.71	230	134	0.999562	106,102	790	-	23	19
St Marys	CARBON CENTER	BUCKTAIL	650	87	0.86	57	67	0.999892	37,136	557	-	18	39
St Marys	DRIFTWOOD	DRIFTWOOD	967	23	4.89	685	140	0.998697	662,052	4,722	4	22	64
St Marys	WEEDVILLE	BYRNEDALE	409	31	2.36	752	318	0.998569	307,541	967	2	16	21
St Marys	WEEDVILLE	WEEDVILLE	1350	49	1.38	484	352	0.999079	653,665	1,858	1	29	77
State College	FOWLER	BALD EAGLE	407	(17)	4.49	1,444	322	0.997253	587,471	1,826	3	45	42
State College	NITTANY NO. 2	CLINTONDALE	704	5	2.14	1,131	528	0.997848	795,865	1,507	2	14	30
State College	NITTANY NO. 2	NITTANY	517	24	3.39	815	240	0.998449	421,847	1,756	5	47	34
State College	PORT MATILDA	PORT MATILDA	1390	18	5.03	769	153	0.998537	1,069,106	6,991	4	68	102
State College	WATERVILLE	WATERVILLE	350	(115)	9.57	2,812	294	0.994650	984,133	3,350	6	33	20
Uniontown	EAST MILLSBORO	EAST MILLSBORO	175	47	1.08	470	434	0.999106	82,106	189	1	7	16
Uniontown	HENRY CLAY	MARKLEYSBURG	1064	53	2.66	405	152	0.999229	430,869	2,830	1	33	67
Uniontown	SUMMIT	SUMMIT(SEATON RD.)	294	49	3.16	426	135	0.999189	125,113	927	1	26	28
Washington	AVELLA	W MIDDLETOWN	1137	33	3.31	677	205	0.998712	769,822	3,759	1	58	107
Washington	LAGONDA	CLUB FORTY	901	73	0.59	162	273	0.999692	145,935	534	-	20	36
Washington	LAGONDA	LAGONDA	1383	84	0.52	81	157	0.999846	112,499	715	-	41	73

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Appendix II – Worst Performing 5% Distribution Circuit Remedial Actions

PUBLIC UTILITY COMMISSION

SCName	SSName	CktName	Actions Taken or Planned	SECRETARY'S BUREAU
Arnold	ALL DAM NO. 5	SCHENLEY	Three isolated incidents accounted for 97% of the cmi on this circuit. Circuit review planned. 2009 CAIDI completed	Outage maps were created to identify outage and sectionalizing locations. Outage data was used to identify outage causes and sources of lockouts (distribution, substation, or transmission). No significant improvement opportunities were identified. Continue to monitor reliability in 2010.
Arnold	ALLERIVER	ALLERIVER	Three incidents accounted for 85% of the CMI on this small circuit. Trees trimmed in 2009. Circuit review planned. 2009 CAIDI Review	Outage maps were created to identify outage and sectionalizing locations. Outage data was used to identify outage causes and sources of lockouts (distribution, substation, or transmission). No significant improvement opportunities were identified. Continue to monitor reliability in 2010.
Arnold	TUNNELTON	TUNNELTON_DIST	Lockouts on 4 days contributed over 90% of the CMI for the one-year period. Trees trimmed in 2009. Circuit review planned. 2009 CAIDI completed	Outage maps were created to identify outage and sectionalizing locations. Outage data was used to identify outage causes and sources of lockouts (distribution, substation, or transmission). No significant improvement opportunities were identified. Continue to monitor reliability in 2010.
Arnold	WATSON	WATSON	Off right-of-way trees accounted for 3/4 of the cmi and approximately 1/2 of the cmi occurred on 1 day. Trees trimmed in 2009. 2010 CAIDI Planned	Monitor reliability. Circuit performing well outside of isolated 1 day event.
Butler	BUENA VISTA	HOOKER	Off right-of-way trees accounted for 97% of the cmi and over 70% occurred on one incident. 2009 CAIDI completed	Monitor reliability outside of off ROW tree issues.
Butler	HARRISVILLE	HARRISVILLE	One lockout due to off right-of-way tree on this small circuit of 2 customers accounted for 100% of the annual CMI. Trees trimmed in 2009. 2009 CAIDI Review	Monitor reliability on this small circuit.
Butler	KARNS CITY	DAUGHERTY	One incident on this circuit with 1 customer due to off right-of-way tree accounted for all of the cmi on this circuit. 2009 CAIDI Review	Monitor reliability on this small circuit.
Charlertol	SMITHTON	HUTCHINSON	Public causes (vehicle into pole and cut tree) accounted for 80% of the cmi on this circuit. 2009 CAIDI completed	Outage causes outside AP control. Monitor reliability.
Charlertol	VANCEVILLE	VANCEVILLE	Animals getting into the substation on 2 occasions accounted for 60% of the cmi on the circuit. Tree trimming being evaluated for 2011. 2008 CAIDI completed	Outage maps were created to identify outage and sectionalizing locations. Outage data was used to identify outage causes and sources of lockouts (distribution, substation, or transmission). No significant improvement opportunities were identified. Continue to monitor reliability in 2010.
Clarion	NEW BETHLEHEM	CLIMAX	Two incidents due to unknown and tree causes accounted for over 1/2 of the cmi on this circuit. Trees trimmed in 2008. Circuit review planned. 2009 CAIDI completed and 2010 CAIDI project planned	Outage maps were created to identify outage and sectionalizing locations. Outage data was used to identify outage causes and sources of lockouts (distribution, substation, or transmission). No significant improvement opportunities were identified. Continue to monitor reliability in 2010.
Hyndman	PURCELL	ARTEMAS	Two days accounted for 65% of the annual CMI on this circuit. Approximately 70% of the annual CMI was caused by off right-of-way trees. 2010 fuse coordination completed	Monitor reliability outside of off ROW tree issues.
Jeannette	PENN	GASKILL AVE	Two incidents accounted for nearly 80% of the annual CMI. Tree trimming being evaluated for 2011. 2010 CAIDI planned	Monitor reliability. Evaluate tree trimming for 2011.
Jeannette	SEWICKLEY	ADAMSBURG	Nearly 1/2 of the cmi occurred on 1 day due to weather/high wind. Tree trimming planned for 2009/2010. Circuit reconfiguration planned for 2010. 2010 CAIDI planned	Monitor reliability after tree trimming.
Jeannette	YOUNGWOOD	HUNKER	Three incidents accounted for over 85% of the cmi on this circuit. Circuit review planned. 2009 CAIDI completed and 2010 CAIDI planned.	Outage maps were created to identify outage and sectionalizing locations. Outage data was used to identify outage causes and sources of lockouts (distribution, substation, or transmission). No significant improvement opportunities were identified. Continue to monitor reliability in 2010.
Jefferson	GREENSBORO	POLAND	Over half of the annual CMI on this small circuit occurred on one day. Tree trimming being evaluated for 2011. Circuit walk-down in 2010. 2010 CAIDI planned	Monitor reliability. Review results of circuit inspection.

Appendix II – Worst Performing 5% Distribution Circuit Remedial Actions (cont'd)

SCName	SSName	CktName	Actions Taken or Planned	Status
Jefferson	RUTAN	BRISTORIA	Off right-of-way trees accounted for over 80% of the cmi on this circuit, which experienced no lockouts. Tree trimming being evaluated for 2011. Circuit reviews to be performed 2nd quarter. 2008 CAIDI Completed. Reconductoring project completed in 2009.	Outage maps were created to identify outage and sectionalizing locations. Outage data was used to identify outage causes and sources of lockouts (distribution, substation, or transmission). No significant improvement opportunities were identified. Plans to evaluate tree trimming for 2011.
Jefferson	RUTAN	WINDRIDGE	Over 80% of the cmi on this circuit was caused by weather and off right-of-way trees. Tree trimming being evaluated for 2011. Circuit split planned to reduce exposure. A portion of the circuit was transferred to an adjacent substation in 2009.	Monitor reliability. Evaluate tree trimming for 2011.
Latrobe	STAHLSTOWN	KREAGER	Approximately three-fourths of the annual CMI was caused by off right-of-way trees. Four incidents accounted for about 80% of the CMI. 2009 CAIDI and 2011 CAIDI review.	Monitor reliability outside of off ROW tree issues.
Latrobe	STAHLSTOWN	MANSVILLE	Off right-of-way trees accounted for over 80% of the cmi for the year. Over 1/2 of the cmi occurred on just 1 day. 2009 CAIDI Review.	Monitor reliability. Circuit is performing well outside of one incident day.
McConnel Isburg	CLEARVILLE	CLEARVILLE	Nearly 70% of the cmi on this circuit resulted from off right-of-way trees and weather (ice/snow). 2009 and 2010 CAIDI completed.	This circuit was reviewed in 2009 and was recommended for a full circuit coordination as well as extensive CAIDI work. This work was completed early in 2010.
McConnel Isburg	EMMAVILLE	STONEY BREAK	Off right-of-way trees accounted for 1/2 and weather accounted for 1/4 of the cmi on this circuit. 2009 CAIDI Completed.	The Stoneybreak circuit is due for a Circuit Review in 2010 as well as a full blown CAIDI in 2011.
McConnel Isburg	WARFORDSBU RG	BUCK VALLEY	Off right-of-way trees accounted for over 80% of the cmi on this circuit. Nearly 1/2 of this occurred in 1 incident. The One mile of cross country line between location 24123 and 24107 has caused numerous outages. This line is inaccessible to trucks. It is also necessary for scouts to walk the right of way because the line is not visible from any road. 2008 CAIDI Completed.	This circuit was coordinated and had a full CAIDI completed on it in 2007. A tie line is being proposed for the 2011 budget to eliminate a section of line that is difficult to scout and work on.
McDonald	HICKORY	HICKORY	Public vehicles hitting poles accounted for nearly 1/2 of the cmi on this circuit. Trees trimmed in 2008. 2009 CAIDI Completed.	Monitor reliability. Circuit is performing well outside of public causes.
McDonald	SMITH	FLORENCE	One isolated incident accounted for nearly 1/2 of the cmi on this circuit for the one-year period. Trees trimmed in 2008. 2008 CAIDI Completed and 2009 Reconducting project completed.	Isolated incident. Monitor reliability.
Pleasant Valley	IRON BRIDGE	ALVERTON	One lockout accounted for over 1/2 of the cmi for the year. Trees trimmed in 2008. 2010 CAIDI Planned. Project to replace switchgear for hospital completed in 2010.	Isolated incident. Monitor reliability.
Pleasant Valley	KING FARM	BELSON RUN	One isolated incident accounted for over 60% of the cmi on this circuit. 2010 CAIDI planned.	Isolated incident. Monitor reliability.
St Marys	CARBON CENTER	BUCKTAIL	One isolated incident on this circuit accounted for 90% of the cmi for the one-year period. 2009 CAIDI Completed.	Isolated incident. Monitor reliability.
St Marys	DRIFTWOOD	DRIFTWOOD	A circuit lockout on 1 day accounted for over 60% of the cmi. Tree trimming being evaluated for 2011. 2009 CAIDI completed.	Isolated incident. Monitor reliability.
St Marys	WEEDVILLE	BYRNEDALE	Two incidents due to weather and off right-of-way trees accounted for 93% of the cmi on this circuit. Trees trimmed in 2008. 2009 CAIDI completed.	Monitor reliability. Outage causes outside AP control.
St Marys	WEEDVILLE	WEEDVILLE	Off right-of-way trees and unknown causes accounted for over 80% of the cmi on this circuit. One incident accounted for 72% of the annual cmi due to trees. Tree trimming being evaluated for 2011. 2008 CAIDI completed.	Monitor reliability. Evaluate tree trimming for 2011.
State College	FOWLER	BALD EAGLE	Three incidents accounted for nearly all (97%) of the CMI on the circuit. Circuit review planned. 2008 CAIDI completed.	Outage maps were created to identify outage and sectionalizing locations. Outage data was used to identify outage causes and sources of lockouts (distribution, substation, or transmission). No significant improvement opportunities were identified. Continue to monitor reliability in 2010.

Appendix II – Worst Performing 5% Distribution Circuit Remedial Actions (cont'd)

SCName	SSName	CKName	Actions Taken or Planned	Status
State College	NITTANY NO. 2	CLINTONDALE	Almost 90% of the annual CMI occurred on one lockout due to a failed substation transformer insulator. 2009 CAIDI completed	Isolated Incident. Monitor reliability.
State College	NITTANY NO. 2	NITTANY	Over 70% of the annual CMI occurred on one lockout due to a failed substation transformer insulator. 2009 CAIDI completed	Isolated incident. Monitor reliability.
State College	PORT MATILDA	PORT MATILDA	Two isolated incidents accounted for 87% of the cmi on this circuit. Circuit review planned. Tree trimming being evaluated for 2011. Circuit conductoring in 2010. 2008 CAIDI completed.	Monitor reliability. Evaluate tree trimming for 2011. Reconductoring in progress.
State College	WATERVILLE	WATERVILLE	Circuit fed from foreign utility. Alternate supply options limited. Considered distributed generation as alternate feed option (costly). Isolating points and fault indicators added as part of CAIDI improvement program. Lockouts due to foreign utility feed caused 84% of the annual CMI. 2008 CAIDI completed.	CAIDI work completed in 2008. Tree trimming performed in 2009. Monitor reliability.
Uniontown	EAST MILLSBORO	EAST MILLSBORO	Two incidents accounted for 80% of the annual CMI. Circuit review planned. 010 CAIDI planned. Project completed to install automatic airswitches on the subtransmission feeding East Millsboro SS In 2009.	Outage maps were created to identify outage and sectionalizing locations. Outage data was used to identify outage causes and sources of lockouts (distribution, substation, or transmission). No significant improvement opportunities were identified. Continue to monitor reliability In 2010.
Uniontown	HENRY CLAY	MARKLEYSBURG	Two incidents involving public vehicles hitting poles accounted for 43% of the annual CMI. Off right of way trees accounted for another 25% CMI. Tree trimming being evaluated for 2011. 2008 CAIDI completed and 2010 CAIDI planned. Project completed in 2009 to install VLRs on Markleysburg circuit for improved reliability.	Monitor reliability. Evaluate tree trimming for 2011.
Uniontown	SUMMIT	SEATON RD	Public vehicle hitting pole and lightning in 2 separate incidents accounted for 2/3 of the cmi on this circuit. Circuit balancing project planned for 2010. 2010 CAIDI planned.	Monitor reliability. Circuit is performing well outside of public causes.
Washington	AVELLA	W MIDDLETOWN	Weather affects accounted for nearly 1/2 of the cmi on this circuit. Tree trimming being evaluated for 2011. 2008 CAIDI completed	Monitor reliability. Evaluate tree trimming for 2011.
Washington	LAGONDA	CLUB FORTY	Off right-of-way trees accounted for approximately 1/2 of the cmi and snow and public vehicles accounted for 20% each. Trees trimmed In 2008. 2009 CAIDI completed	Monitor reliability. Outage causes outside AP control.
Washington	LAGONDA	LAGONDA	A public car hitting a pole accounted for 86% of the cmi on this circuit for the one-year period. Tree trimming being evaluated for 2011. 2010 CAIDI	Monitor reliability. Circuit is performing well outside of public causes.

Appendix III – Goals Progress

Job Type	Unit of Measurement	Goal	Completed	% Complete
Scheduled Circuit Inspection and Maintenance Program	# circuits	57	45	79%
Scheduled Circuit Maintenance Work from Employee Inspections	# work requests	76	38	50%
CAIDI 2 Projects	# projects	263	224	85%
Worst Performing Circuit Projects	# projects	16	4	25%
Small Planning projects	# projects	45	13	29%
Large Planning projects	# projects	6	3	50%
Miscellaneous Maintenance	man-hours	198,060	113,896	58%
Line Recloser Replacements	# reclosers	149	88	59%
Underground Equipment Inspections	# locations	14,300	3,416	24%
Underground Cable Replacement	# feet	45,000	4,600	10%
Priority Pole Replacements	# poles	172	141	82%
Annual overhead facility inspection, pole inspection, and pole treatment done by contractors	# poles	17,251	17,251	100%
Transmission Aerial Saw	# of line miles	116	0	0%
Transmission Aerial Spray	# of acres	385	0	0%
Transmission Ground Spray	# of acres	2,282	329	14%
Transmission Tree Work	# of line miles	128	30	23%
Subtransmission ROW Vegetation Maintenance	# of line miles	567	188	33%
Distribution ROW Vegetation Maintenance	# line miles	1,223	377	31%
Transmission Comprehensive Patrol	# transmission lines	4	4	100%
Transmission General Patrol	# transmission lines	121	144	119%
SS Work (Preventative maintenance only)	man-hours	19,865	13,462	68%

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Appendix IV – Callout Acceptance

Allegheny Power		2010				
Pennsylvania Local 102						
Linemen						
Service Center	Jan, Feb, Mar			Apr, May, Jun		
	No. of Calls	No. Accepted	Average	No. of Calls	No. Accepted	Average
Arnold	433	96	22%	872	180	21%
Boyce	353	123	35%	699	156	22%
Butler	390	103	26%	1034	211	20%
Charleroi	428	133	31%	1191	236	20%
Clarion	98	40	41%	150	50	33%
Jeannette	370	82	22%	755	155	21%
Jefferson	402	112	28%	855	131	15%
Kittanning	166	81	49%	302	107	35%
Latrobe	459	129	28%	798	198	25%
McConnellsburg	137	65	47%	183	88	48%
McDonald	198	77	39%	284	115	40%
Pleasant Valley	280	137	49%	704	164	23%
St. Mary's	142	75	53%	211	135	64%
State College	364	138	38%	743	215	29%
Uniontown	347	116	33%	562	168	30%
Washington	466	113	24%	794	152	19%
Waynesboro	573	165	29%	732	184	25%
Total AP Average	5606	1785	32%	10869	2645	24%
Electricians						
Service Center	Jan, Feb, Mar			Apr, May, Jun		
	No. of Calls	No. Accepted	Average	No. of Calls	No. Accepted	Average
Arnold	35	25	71%	57	40	70%
Boyce	40	21	53%	44	26	59%
Butler	47	23	49%	92	48	52%
Charleroi	76	28	37%	130	44	34%
Jeannette	33	6	18%	39	14	36%
Jefferson	61	23	38%	165	18	11%
Kittanning	34	19	56%	32	21	66%
Latrobe	46	20	43%	54	19	35%
Pleasant Valley	50	26	52%	46	20	43%
St. Mary's	27	17	63%	30	15	50%
State College	62	13	21%	64	11	17%
Washington	36	9	25%	39	16	41%
Waynesboro	51	9	18%	66	13	20%
Total AP Average	598	239	40%	858	305	36%
Total Combined AP Average	6204	2024	33%	11727	2950	25%

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Appendix V – 5% Distribution Circuit Improvement Index (DCII)

AP calculates the DCII to provide a single index for ranking circuits. The DCII compares the SAIFI, SAIDI, CAIDI and ASAI for each circuit to the 5-year system averages of each index and combines them into a single index. An example of this calculation is shown below:

<u>Index</u>	<u>System Average</u>	<u>Sample Circuit</u> <u>Index</u>
SAIFI	0.66	2.32
SAIDI	181.95	258.8
CAIDI	275.71	176.23
ASAI	0.999654	0.999769

- 1) The SAIFI, SAIDI and CAIDI are compared to the system average indexes.

$$\begin{aligned} \text{Actual SAIFI / System Average SAIFI} &= 2.32 / 0.66 = 3.52 \\ \text{Actual SAIDI / System Average SAIDI} &= 258.8 / 181.95 = 1.42 \\ \text{Actual CAIDI / System Average CAIDI} &= 176.23 / 275.71 = 0.64 \end{aligned}$$

- 2) To permit the average to equal 70 percent this ratio is then inversely proportioned:

$$\begin{aligned} SF &= 1 - (0.3 \times (\text{Actual SAIFI} / \text{Average SAIFI})) = 1 - (0.3 \times 3.52) = -0.0560 \\ SD &= 1 - (0.3 \times (\text{Actual SAIDI} / \text{Average SAIDI})) = 1 - (0.3 \times 1.42) = 0.5740 \\ CD &= 1 - (0.3 \times (\text{Actual CAIDI} / \text{Average CAIDI})) = 1 - (0.3 \times 0.64) = 0.8080 \end{aligned}$$

- 3) The sum of the values is then divided by 3 to assign each index an equal weight in the calculation.

$$(SF + SD + CD) / 3 = (-0.0560 + 0.5740 + 0.8080) / 3 = 0.4420$$

- 4) The Actual ASAI is then multiplied directly to this value to get the interruption factor which when multiplied by 100 provides the DCII.

$$((SF + SD + CD) / 3) * ASAI \times 100 = DCII = 0.4420 * 0.999769 * 100 = 44.19$$

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Appendix VI – Major Event

There were no Major Events in the second quarter.

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From: Origin ID: CVAA (724) 838-6738
John Munsch
Allegheny Power
800 Cabin Hill Drive

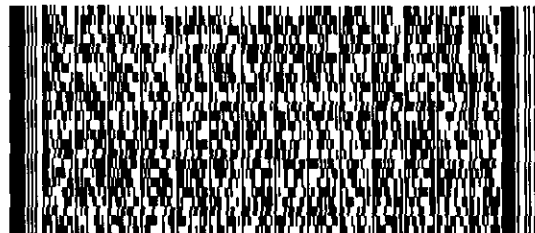
Greensburg, PA 15601



J16291006258228

SHIP TO: (724) 838-6738 BILL SENDER

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commiss
400 NORTH ST
COMMONWEALTH KEYSTONE BLDG
HARRISBURG, PA 17120



Ship Date: 30JUL10
ActWgt: 2.0 LB
CAD: 8924375/NET3060

Delivery Address Bar Code



Ref # 4001-100077-43000818
Invoice #
PO #
Dept #

TRK#
0201 7937 7802 3449

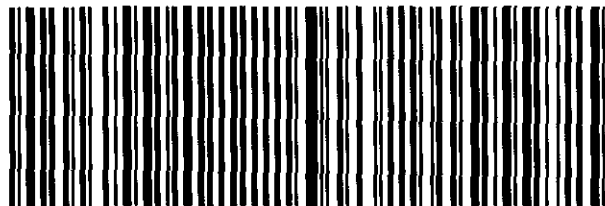
MON - 02 AUG A1
PRIORITY OVERNIGHT

17120

PA-US

MDT

SH MDTA



689C18067/RA24