THE CALM BEFORE THE STORMS
Lessons from SUPERSTORM SANDY set the course for utilities’ disaster recovery plans

The call for help came on a Sunday, Nneka Assing, engineering services director for the American Gas Association, recalls.

The largest Atlantic hurricane on record was moving steadily up the East Coast and was expected to make a left turn the following evening—on Monday, Oct. 29—to strike the heavily populated New Jersey shore. Combined with a cold front moving in from the west, high tide, and a full moon, the potential for severe flooding was great.

Most of the natural gas utilities in the storm’s path were members of the Northeast Gas Association, and on that Sunday, NGA reached out to AGA to begin mobilizing for the recovery from what would become known as Superstorm Sandy.

On that Sunday, as AGA activated its Mutual Assistance Program, it was already apparent that this would be the first major test of the system since it was formalized in 2006—after Hurricanes Katrina and Rita raked the Gulf Coast the previous year.

But in the days after, as Assing and others began participating in daily, hourlong conference calls with NGA and member utilities, it became clear that the extent of the damage was unprecedented. About 240,000 natural gas customers in four states were impacted, as a 15-foot storm surge had ravaged systems along the Jersey shore and barrier islands as well as in Long Island, Staten Island, Queens, and Brooklyn.

In the two months following that Sunday, the AGA Mutual Assistance Program was responsible for coordinating the efforts of dozens of member utilities, which sent nearly 750 crew members from as far away as Canada and California to assist with the recovery. By the time the last crews went home—just two days before Christmas 2012—the Mutual Assistance Program and the entire natural gas industry had passed what was quite possibly its biggest test ever.

As we look ahead to the 2013 hurricane season, American Gas asked representatives from four AGA member utilities to take a look back (on the heels of May’s devastating Oklahoma tornado) at that challenging time in 2012, and tell us how they got through it and what they learned along the way. —Jennifer Pilla Taylor
Learning from Experience

By Mike Schmid

In late August 2011, Hurricane Irene hit the New Jersey coast, affecting 27,000 of our natural gas customers in what was at the time the most damaging storm in our company’s history. Then, just 14 months later, Superstorm Sandy came, topping Irene’s total by more than 14,000.

So, as we look ahead to the 2013 hurricane season, we’re really hoping that this year we’ll catch a break. But even if we don’t, we’ll be ready, because of the lessons we learned from both Irene and Sandy.

As Sandy neared our shoreline, we prepared to put into action what we’d learned from Irene. For example, we knew it would be essential to maintain close working relationships with local code enforcement officials to help them better understand how to safely restore service to water-damaged appliances. Another lesson we’d learned was to use our GIS system in conjunction with National Weather Service river forecast models to predict flood locations and possible impacts. In addition, we were able to utilize our work management system to generate the thousands of work orders our technicians needed to perform and track our flood-related work.

Since this storm included a tidal surge, we knew it would be difficult to fully assess the areas that were impacted. This required us to have “scouts” prepared to fan out across the service area and report back on where water damage had occurred.

With this information, we were able to quickly plot out the affected areas and systematically begin working through them. With hundreds of technicians working 16-hour days, we were able to restore all 41,000 impacted premises, spread across 25 municipalities, within just two weeks.

During the recovery from Sandy, we replaced more than 7,000 individual gas meters and about 6,500 feet of main, and we cleared water out of approximately 80,000 feet of gas mains and services.

We also responded to almost 9,000 gas emergencies, requiring us to set up field command centers throughout the impacted communities to stage material, manage the restoration activities, and provide a place for customers to directly communicate with our employees.

In addition, we established separate customer care centers where people could charge their cell phones and get water and ice, and also get information about how we could help them and what they needed to be doing.

For the long term, PSE&G is working to fortify our infrastructure so we can avoid this kind of damage in the future. This year we introduced our “Energy Strong” proposal to invest $3.9 billion over 10 years in both the electric and gas systems, including $1.2 billion to replace 750 miles of cast iron gas main and protect nine metering and regulating stations as well as one LNG facility. We’re pleased to have the support of three dozen local governments urging approval of the plan.

Of course, even if it is approved, those infrastructure improvements won’t be complete for several years. Until then, we’ll be ready to swing into action, to learn more lessons, and to take on whatever this hurricane season brings us.

NATIONAL GRID

With the End in Mind

By W. Fred Kuebler

The utilities sector includes lots of folks who, like me, are former members of our nation’s military. That military training serves us especially well during a crisis, because it teaches us that it’s essential to always have an end state in mind.

In the Superstorm Sandy crisis, National Grid’s end state was simple: getting service restored to our customers as quickly and as safely as possible.

Of course, getting to that end state was a complex process, and it is still, in some ways, ongoing. But as we enter the 2013 hurricane season, there are many lessons we can take from the Superstorm Sandy experience. For me, they can be summed up in three words: plan, prepare, communicate.

Plan: In the months leading up to the storm, we had actually done a top-to-bottom review of our emergency-planning program, on both the gas and electric sides of our company. And right about the time Sandy hit was when we were supposed to be doing a final training drill. So the drill
actually turned into a real-life, real-time scenario. Because we had been planning for a weather disaster since well before Sandy was even a tropical wave off the coast of western Africa, we were in good shape.

**Prepare:** In accordance with that plan, we alerted employees on Oct. 25 to be ready to carry out their storm assignments. Prior to the storm coming ashore, we began shutting down the regulator stations that were prone to flooding without interrupting service in advance of the storm. We had crews monitoring other stations as the storm surge came in, and we took additional regulator stations offline in the areas where the water was coming in highest. As a result, we were able to avoid much more serious damage to our distribution system.

**Communicate:** Keeping our customers safe meant communicating through every channel available to us—including radio, Twitter, community newspapers, and blogs. We mobilized an army of community liaisons to go house-to-house throughout affected service areas, delivering door hangers and personally interacting with customers, in some cases visiting more than once. We established special customer service lines for gas restoration, and created a process to make sure our customer service representatives were getting the latest, most accurate information from our field staff to communicate to our customers.

We planned, prepared, and communicated, but early in the recovery process it became apparent that even if we did everything right on our end, we wouldn’t necessarily reach our final objective. That’s because we had thousands of customers whose homes and businesses had been so damaged it would be many, many months before they’d be able to receive our service again.

So we created our “Beyond the Meter” program and created a Sandy recovery fund with $30 million set aside to help rebuild the communities we serve. We’ve funded plumbing inspections for all impacted customers, helped our most vulnerable citizens buy new heating equipment and appliances, and supported small businesses with sizeable grants.

Within five days of the storm, we had our system ready to deliver service to customers who could receive it. By Christmas we had replaced 13 miles of distribution gas main. But we’re still helping some customers get to their own personal end state.

We planned, prepared, and communicated. Then we went “beyond the meter.” As a result, we envision an end state in which our company and the communities we serve are even stronger than they were before the storm.

**NEW JERSEY NATURAL GAS**

Eye of the Storm

By Micah Rasmussen

In the natural gas industry, we aren’t accustomed to being the center of attention. Thanks to our enviable track record of safety and reliability, our customers usually don’t have to think too much about us. But in the days following Superstorm Sandy’s stunning landfall on Oct. 29, we found ourselves in an unusual position.

The storm’s 15-foot tidal surge unearthed large sections of our system along New Jersey’s barrier islands. After three days of valiantly plugging more than 1,600 leaks, we realized we would need to shut it down in the most heavily affected areas, then face the daunting possibility of rebuilding. More than 31,000 of our customers faced the prospect of going weeks, if not months, without natural gas service.

All eyes were on us.

We were fortunate in that we already enjoyed a pretty good relationship with our customers. But during a crisis, people are naturally skeptical—especially of utilities. We knew from the very beginning we needed to be transparent.

On Oct. 31, we began issuing one major daily status update. Crews from the field would take a few precious minutes from their beyond-busy schedules to report in on their progress. At our headquarters—where we only had electricity in one small corner of the building—we compiled that information and circulated it quickly for approval. By 10:30 a.m., we were sending it to every audience we served, including regulators, media, customers, employees, and public officials.

The importance of having this single daily message can’t be overstated. Because of it, none of our audiences felt as if they were not getting information from New Jersey Natural Gas that others were. And none of our audiences was getting conflicting messages.

We used our Facebook page as one distribution channel out, but it also became an important channel in. When trunk lines were down at our customer call center, customers began messaging us through Facebook for specific information regarding their service. In a 90-day period, our number of “likes” increased by more than 50 percent to 1,100.

While using every means available to push all the information we had out, we also had to be brutally honest about what we didn’t know. When certain news outlets began reporting early on that we would need eight months to restore service, we worked to quell the rumors. But at the same time, we couldn’t yet replace those rumors with a definitive restoration timeline. Amidst pressure from some public officials who wanted that information immediately, we had to tell them: We’ll tell you when we know.
Fortunately, our engineers were able to quickly design a restoration plan. Once that information started to flow and we began delivering on our promises, that trust was really solidified.

Seven months after Sandy’s landfall, it is clear that that transparency paid off. Not only do we know from anecdotal reports that our customers appreciated the way we handled the crisis, we can see it in the numbers. Though we received the J.D. Power and Associates Business Customer Satisfaction award for our region in both 2011 and 2012, this year we were especially pleased to have once again earned that top spot.

Sometimes, if you’re not used to being the center of attention, your first instinct is to hunker down when all eyes are on you. At New Jersey Natural Gas, we didn’t do that. As a result, we came through the worst crisis in our company’s history with a stronger relationship with our customers than ever.

INTEGRYS

The Second Wave

By Jennifer Block

When Superstorm Sandy struck the East Coast, it was the top story among news outlets across the country, and with good reason: at 1,100 miles wide, this “Frankenstorm” caused $75 billion in damage in some of the nation’s most densely populated areas.

Less than nine days later, however, the presidential election came, knocking Sandy off the front pages and from the minds of many people in areas not directly affected.

But that didn’t mean the people who had been in Sandy’s path no longer needed help. In fact, after more than a week without electric, gas, and phone service, that was quite possibly when many of them needed it most.

The first natural gas mutual assistance crews into the hardest-hit areas came from the states closest to the storm zone, such as Maryland and Delaware. For the second wave of assistance, the Northeast Gas Association reached out to distribution companies across the country.

That’s when 27 employees of Peoples Gas and North Shore Gas drove from Chicago to New York to live in a tent city for a week while assisting National Grid. Once there, all 27 agreed to remain for another week—which meant missing Thanksgiving with their families. Instead, they spent it in a restaurant with families that had lost their homes and possessions in the storm. A week later, 10 experts from Wisconsin Public Service headed east to support the effort as temperatures turned colder and getting customers reconnected became critical.

At a company lunch-and-learn earlier this year, several of those employees spoke about their experience. A common theme: how rewarding it was and how humbled they felt by the outpouring of gratitude from the people they had helped.

The natural gas industry has a long history of mutual support. But Superstorm Sandy can serve as a reminder that we should never hesitate to ask for or offer each other help, even when—and, perhaps, especially when—the crisis is no longer making headlines.

Mike Schmid is director of Appliance Service Field Operations for PSE&G. W. Fred Kuebler was a public affairs officer in the U.S. Navy for 20 years before becoming director of U.S. Media Relations for National Grid in August 2012. Micah Rasmussen is director of Corporate Communications at New Jersey Resources. Jennifer Block is director of Media Relations for Integrys Energy Group, parent company for Peoples Gas and North Shore Gas in Chicago and Wisconsin Public Service in Green Bay.
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