

Electric Distribution and Transmission Vegetation Management

New York State Electric & Gas Corporation – Electric
Rochester Gas and Electric Corporation – Electric

NYSEG Electric – Routine Distribution Vegetation Management

NYSEG will utilize the following schedule and Rate Year funding levels for its distribution system routine vegetation management:

NYSEG Routine Distribution	
Year	Annual Funding Level
Rate Year 1	\$30.0 million
Rate Year 2	\$30.0 million
Rate Year 3	\$30.0 million

RG&E Electric – Routine Distribution Vegetation Management

RG&E will continue its full-cycle vegetation management trimming for its distribution system and will utilize the following schedule and Rate Year funding levels:

RG&E Routine Distribution	
Year	Annual Funding Level
Rate Year 1	\$8.3 million
Rate Year 2	\$8.4 million
Rate Year 3	\$8.6 million

NYSEG Electric – Reclamation Program Distribution Vegetation Management

NYSEG will establish a new Reclamation Program for its distribution system vegetation management utilizing the following schedule and Rate Year spending levels:

NYSEG Reclamation Program	
Year	Annual Spending Level
Rate Year 1	\$17.2 million
Rate Year 2	\$17.2 million
Rate Year 3	\$17.2 million

The \$17.2 million of incremental distribution vegetation management expenditures associated with the Reclamation Program will be used for the reclamation of circuits that have not been trimmed in over five years in three focused areas: circuits that have the worst total tree System Average Interruption Frequency (“SAIFI”) performance (a subset of which is set forth below); three-phase 34.5 kV circuits that have not been trimmed in over five years; and single phase 34.5 kV circuits that have not been trimmed in over five years. The revenue requirements reflect the deferral of the spending in each rate year of the above reclamation amounts, with each rate year’s spend amount amortized over a ten-year period.

NYSEG Reclamation Program: Circuit Prioritization List			
List	Division	Circuit	Kv
1	Binghamton	REDACTED	12.5
2	Elmira	REDACTED	12.5
3	Elmira	REDACTED	12.5
4	Ithaca	REDACTED	4.8
5	Lancaster	REDACTED	12.5
6	Lancaster	REDACTED	34.5
7	Lancaster	REDACTED	12.5
8	Lancaster	REDACTED	34.5
9	Lancaster	REDACTED	4.8
10	Lancaster	REDACTED	12.5
11	Liberty	REDACTED	12.5
12	Oneonta	REDACTED	34.5
13	Oneonta	REDACTED	34.5
14	Oneonta	REDACTED	12.5
15	Oneonta	REDACTED	12.5
16	Plattsburgh	REDACTED	34.5
17	Plattsburgh	REDACTED	12.5

NYSEG Electric and RG&E Electric – Danger Tree Programs

NYSEG and RG&E will each establish a new Danger Tree Program for their distribution system vegetation management utilizing the following schedules and Rate Year spending levels:

NYSEG Danger Tree Program	
Year	Annual Spending Level
Rate Year 1	\$10.0 million
Rate Year 2	\$10.0 million
Rate Year 3	\$10.0 million

RG&E Danger Tree Program	
Year	Annual Spending Level
Rate Year 1	\$1.575 million
Rate Year 2	\$1.575 million
Rate Year 3	\$1.575 million

The new Danger Tree programs will address danger trees outside of each Company's distribution right-of-way, including but not limited to ash trees. Tree removal will focus on the three-phase portions of the Companies' distribution systems to obtain the maximum impact. The revenue requirements reflect the deferral of the spending in each rate year of the above danger tree amounts, with each rate year's spend amount amortized over a ten-year period.

Electric Distribution Vegetation Management Reconciliation

NYSEG and RG&E will each track routine distribution vegetation management, danger tree program, and reclamation program (NYSEG only) spending separately. Each program will be subject to a downward-only reconciliation, with carry-forward, as set forth below.

For purposes of the downward-only reconciliation, each Company will calculate any underage in spending for each of the identified distribution vegetation management programs for each Rate Year. If the amount expended by a Company for any of the distribution vegetation management programs is less than the Company's funding level targets, that Company will defer the shortfall for potential use in subsequent rate years.

Electric Distribution Vegetation Management Reporting and Oversight

The Companies will report to the Secretary to the Commission on a quarterly basis (i.e., by March 15th, June 15th, September 15th and December 15th of each year) the prior quarter's distribution vegetation management expenditures. The quarterly reports will include, broken down by month and contractor: the number of miles trimmed; circuit names, numbers, voltage, phase, and locations; danger tree program expenditures; and reclamation program expenditures

(NYSEG only). The quarterly reports will also specify the number of danger trees identified and removed, the species of each danger tree, and the circuit where the danger tree was located.

NYSEG also agrees that it will, after consultation with DPS Staff, hire an independent outside contractor to provide review and oversight of the Company's Vegetation Management program. The costs associated with this outside contractor will be allocated across the three separate programs.

NYSEG Electric – Transmission Vegetation Management

NYSEG's vegetation management trimming for its transmission system will utilize the following schedule and Rate Year funding levels:

Transmission	
Year	Annual Funding Level
Rate Year 1	\$6.4 million
Rate Year 2	\$6.5 million
Rate Year 3	\$6.7 million

RG&E Electric – Transmission Vegetation Management

RG&E's vegetation management trimming for its transmission system will utilize the following schedule and Rate Year funding levels:

Transmission	
Year	Annual Funding Level
Rate Year 1	\$2.2 million
Rate Year 2	\$2.2 million
Rate Year 3	\$2.3 million