

BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MISSOURI

FILED<sup>3</sup>  
MAY 24 2002

In the Matter of an Investigation into )  
Public Utility Emergency Preparedness. ) Case No. OO-2002-202

Missouri Public  
Service Commission

**MOTION TO FILE THE UPDATED REPORT CONCERNING  
UTILITY EMERGENCY PREPAREDNESS**

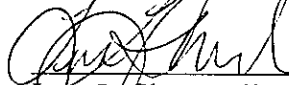
**COMES NOW** the Staff of the Missouri Public Service Commission ("the Staff") and in response to the Commission's February 24, 2002 Order; submits its updated report concerning the Emergency Preparedness Survey sent to Missouri utilities. Staff states as follows:

1. The Commission continues to be active in the Homeland Security Task Force for the State of Missouri.
2. The attached updated report reflects all Missouri utilities that have responded to Staff's survey. All major Missouri utilities have replied to the survey.
3. In addition to surveying Missouri utilities, Staff has taken other steps to monitor potential threats to utilities. The National Infrastructure Protection Center (NIPC) is a federal program involving the FBI. Its mission is to act as the Federal government's central point for threat assessment, warning, investigation and response concerning threats or attacks against critical infrastructure. These infrastructures include telecommunications, energy, water systems, government operations and emergency services. Staff monitors the NIPC reports on a daily basis.
4. Staff expects no additional responses to its survey and plans no additional reports to the Commission.

WHEREFORE Staff moves the Commission to accept the Final Report in this emergency preparedness case.

Respectfully submitted,

/s/ Lera L. Shemwell



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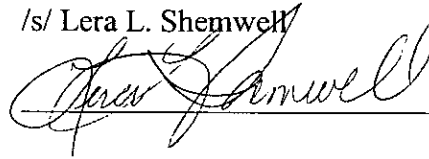
573-751-7431

573-751-9285 (Fax)

### **Certificate of Service**

I hereby certify that copies of the foregoing have been mailed or hand-delivered to all counsel of record this 24<sup>th</sup> day of May 2002.

/s/ Lera L. Shemwell



**FINAL REPORT TO THE MISSOURI PUBLIC SERVICE COMMISSION  
REGARDING THE SECURITY SURVEY ORDERED IN  
CASE NUMBER OO-02-202 ON THE MATTER OF AN  
INVESTIGATION INTO PUBLIC UTILITY EMERGENCY PREPAREDNESS**

**Procedural History**

On October 23, 2001, the Commission's Staff filed a motion to establish an investigative case. Staff proposed to survey Missouri utilities concerning their preparedness for disaster and emergency situations including procedures for dealing with terrorist threats or attacks. On October 31, 2001, the Missouri Public Service Commission (Commission) established Case No. OO-2002-202 for the purpose of "surveying Missouri utilities and receiving interim and final reports by the Commission's Staff." A survey composed of 11 questions was mailed to all companies on the Commission's Utility Service List on October 31, 2001. These companies include 104 city and municipality, 52 electric (includes 46 electric cooperatives), 14 gas, 612 telephone (includes ILECs, CLECs, IXC's, and resellers), and 85 water and sewer utilities. Companies were requested to respond to the survey by December 1, 2001. On December 14, 2001, the Staff filed an update in this case with the Commission reporting on the progress of this project. The Staff filed a report with the Commission on December 31, 2001, providing a summary of the 262 utility responses received as of December 14, 2001. The current report is filed in response to the Commission's February 3, 2002, order directing the Staff to file a follow-up report no later than May 24, 2002, on the survey responses received since December 14, 2001.

**Security Survey**

The survey questionnaire included the following 11 questions:

1. Do you currently have an Emergency Plan in effect?
2. What is included in the plan? (Please list all topics)
  - a. Does it include computer systems?
  - b. Does it include hazardous materials?
3. If you currently have an Emergency Plan, how often is it reviewed?
4. Are periodic emergency drills held that include all staff?

5. Does your Emergency Plan include procedures for terrorist attacks?
6. In an emergency, what state or federal agencies are you required to provide information?
7. What, if any, additional steps have you taken since the September 11, 2001, event to protect your staff and facilities?
8. What training do employees receive?
9. What is the name, address, and phone number of your emergency contact person?
10. Do you anticipate any impact on rates as a result of increased security measures?
11. Have you addressed emergency plans with external suppliers, contractors, and other business partners or vendors? If so, please explain.

### **Survey Response Rate**

There have been a total of 11 survey responses received between December 14, 2001, and May 24, 2002. The 11 responses were received from 1 city utility, 9 telephone utilities, and 1 water utility. It has been approximately two months since the last utility response has been received. The following tables illustrate the total number of surveys sent and returned, on the basis of utility type, through December 14, 2001, and through May 24, 2002:

<b>Number of Surveys Sent/Returned by Utility Type Through December 14, 2001</b>						
	<b>City/Municipal</b>	<b>Electric</b>	<b>Gas</b>	<b>Telephone</b>	<b>Water &amp; Sewer</b>	<b>Total</b>
<b># Sent</b>	104	52	14	612	85	867
<b># Returned</b>	40	35	7	152	28	262
<b>Response Rate</b>	38%	67%	50%	25%	33%	30%

<b>Number of Surveys Sent/Returned by Utility Type Through May 24, 2002</b>						
	<b>City/Municipal</b>	<b>Electric</b>	<b>Gas</b>	<b>Telephone</b>	<b>Water &amp; Sewer</b>	<b>Total</b>
<b># Sent</b>	104	52	14	612	85	867
<b># Returned</b>	41	35	7	161	29	273
<b>Response Rate</b>	39%	67%	50%	26%	34%	31%

As shown, the 11 survey responses received since December 14, 2001, have increased the response rate by 1%. Through May 24, 2002, approximately 31% of utilities surveyed provided a response. The response rate, by utility type, ranged from 26% for telephone utilities to 67% for electric utilities. It should be noted that combination utilities that provide more than one type of utility service were sent a survey questionnaire for each utility service they provide; however, in most cases only one survey was returned. For example, one utility that serves both gas and electric customers was mailed two surveys: one for its gas operations and one for its electric operations, but only the gas survey was returned. Consequently, the summary of survey responses reflects that a survey was returned for the gas operations of the utility, but not the electric.

### **Survey Responses**

Seven of the survey questions could be answered with a yes or no response. The following summary discussion includes a table for each of the five utility categories that summarizes the utilities' responses to these seven questions. Each table provides comparison data on the total responses received through December 14, 2001, and through May 24, 2002. The seven questions and the abbreviated identifier used in the tables associated with each question are as follows:

1. Do you currently have an Emergency Plan in effect? (Emergency Plan?)
2. Does it include computer systems? (Computer Systems?)
3. Does it include hazardous materials? (Hazardous Materials?)
4. Are periodic emergency drills held that include all staff? (Emergency Drills?)
5. Does your Emergency Plan include procedures for terrorist attacks? (Terrorist Attacks?)
6. Do you anticipate any impact on rates as a result of increased security measures? (Rate Impact?)
7. Have you addressed emergency plans with external suppliers, contractors and other business partners or vendors? (External Suppliers?)

The summary of the city and municipal utility responses is provided in the following table:

<b>City and Municipal Utility Responses</b>						
	<b>December 14, 2001</b>			<b>May 24, 2002</b>		
	<b>Yes</b>	<b>No</b>	<b>% Yes</b>	<b>Yes</b>	<b>No</b>	<b>% Yes</b>
<b>1. Emergency Plan?</b>	32	8	80%	32	9	78%
<b>2. Computer Systems?</b>	10	30	25%	10	31	24%
<b>3. Hazardous Materials?</b>	28	12	70%	28	13	68%
<b>4. Emergency Drills?</b>	12	28	30%	12	29	29%
<b>5. Terrorist Attacks?</b>	14	26	35%	14	27	34%
<b>6. Rate Impact?</b>	4	36	10%	4	37	10%
<b>7. External Suppliers?</b>	9	31	23%	9	32	22%

As shown, approximately 78% of the city and municipal utilities that responded through May 24, 2002, indicated that they have an Emergency Plan in effect. About 68% of the utilities include hazardous materials within the scope of their plan, 34% include plans for a terrorist attack, and 10% anticipate a rate impact from the emergency plan.

The summary of the electric utility responses is provided in the following table:

<b>Electric Utility Responses</b>						
	<b>December 14, 2001</b>			<b>May 24, 2002</b>		
	<b>Yes</b>	<b>No</b>	<b>% Yes</b>	<b>Yes</b>	<b>No</b>	<b>% Yes</b>
<b>1. Emergency Plan?</b>	34	1	97%	34	1	97%
<b>2. Computer Systems?</b>	22	13	63%	22	13	63%
<b>3. Hazardous Materials?</b>	26	9	74%	26	9	74%
<b>4. Emergency Drills?</b>	11	24	31%	11	24	31%
<b>5. Terrorist Attacks?</b>	5	30	14%	5	30	14%
<b>6. Rate Impact?</b>	2	33	6%	2	33	6%
<b>7. External Suppliers?</b>	15	20	43%	15	20	43%

As illustrated, no additional electric utility responses have been received since December 14, 2001. About 97% of the electric utilities indicated they have an emergency plan in effect. Computer systems and hazardous materials are covered in plans 63% and 74% of the time, respectively. About 14% of the electric utilities' plans include procedures for terrorist attacks and 6% anticipate a rate impact from their emergency plan.

The summary of the gas utility responses is provided in the following table:

<b>Gas Utility Responses</b>						
	<b>December 14, 2001</b>			<b>May 24, 2002</b>		
	<b>Yes</b>	<b>No</b>	<b>% Yes</b>	<b>Yes</b>	<b>No</b>	<b>% Yes</b>
<b>1. Emergency Plan?</b>	7	0	100%	7	0	100%
<b>2. Computer Systems?</b>	5	2	71%	5	2	71%
<b>3. Hazardous Materials?</b>	4	3	57%	4	3	57%
<b>4. Emergency Drills?</b>	4	3	57%	4	3	57%
<b>5. Terrorist Attacks?</b>	3	4	43%	3	4	43%
<b>6. Rate Impact?</b>	3	4	43%	3	4	43%
<b>7. External Suppliers?</b>	5	2	71%	5	2	71%

As shown, no additional gas utility responses have been received since December 14, 2001. All of the gas utilities that responded indicated they have an emergency plan in place. Computer systems are addressed in about 71% of the plans and 43% of the gas utilities have incorporated procedures covering terrorist attacks. About 43% of the utilities anticipate a rate impact from their emergency plan.

The summary of the telephone utility responses is provided in the following table:

<b>Telephone Utility Responses</b>						
	<b>December 14, 2001</b>			<b>May 24, 2002</b>		
	<b>Yes</b>	<b>No</b>	<b>% Yes</b>	<b>Yes</b>	<b>No</b>	<b>% Yes</b>
<b>1. Emergency Plan?</b>	60	92	39%	67	94	42%
<b>2. Computer Systems?</b>	45	107	30%	51	110	32%
<b>3. Hazardous Materials?</b>	29	123	19%	30	131	19%
<b>4. Emergency Drills?</b>	23	129	15%	27	134	17%
<b>5. Terrorist Attacks?</b>	14	138	9%	16	145	10%
<b>6. Rate Impact?</b>	1	151	1%	1	160	1%
<b>7. External Suppliers?</b>	30	122	20%	32	129	20%

As illustrated, of the 9 telephone utility responses received since December 14, 2001, 7 indicated they have an emergency plan and 2 responded that they did not. Approximately 32% of the total number of telephone companies that responded have plans that cover computer systems. About 10% of the telephone utility plans include procedures for terrorist attacks and only 1% anticipate a rate impact.

The summary of the water and sewer utility responses is provided in the following table:

<b>Water &amp; Sewer Utility Responses</b>						
	<b>December 14, 2001</b>			<b>May 24, 2002</b>		
	<b>Yes</b>	<b>No</b>	<b>% Yes</b>	<b>Yes</b>	<b>No</b>	<b>% Yes</b>
<b>1. Emergency Plan?</b>	21	7	75%	22	7	76%
<b>2. Computer Systems?</b>	9	19	32%	9	20	31%
<b>3. Hazardous Materials?</b>	10	18	36%	11	18	38%
<b>4. Emergency Drills?</b>	7	21	25%	8	21	28%
<b>5. Terrorist Attacks?</b>	7	21	25%	8	21	28%
<b>6. Rate Impact?</b>	4	24	14%	4	25	14%
<b>7. External Suppliers?</b>	6	22	21%	6	23	21%

As shown, approximately 76% of the water and sewer companies that responded through May 24, 2002, indicated they have an emergency plan. The one additional water company that provided a survey response since December 14, 2001, reported it has an emergency plan in effect. Of the responses received through May 24, 2002, about 31% of the emergency plans include computer systems and 38% address hazardous materials. Approximately 28% of the water and sewer companies have included procedures for terrorist attacks and 14% of the companies anticipate a rate impact from their plans.

The following table compares the percentage of yes responses to seven survey questions through December 14, 2001, and through May 24, 2002, for each of the five categories of utilities:

<b>Percentage of Yes Utility Responses</b>										
	<b>City &amp; Municipal</b>		<b>Electric</b>		<b>Gas</b>		<b>Telephone</b>		<b>Water &amp; Sewer</b>	
	<b>12/14/01</b>	<b>5/24/02</b>	<b>12/14/01</b>	<b>5/24/02</b>	<b>12/14/01</b>	<b>5/24/02</b>	<b>12/14/01</b>	<b>5/24/02</b>	<b>12/14/01</b>	<b>5/24/02</b>
<b>1. Emergency Plan?</b>	80%	78%	97%	97%	100%	100%	39%	42%	75%	76%
<b>2. Computer Systems?</b>	25%	24%	63%	63%	71%	71%	30%	32%	32%	31%
<b>3. Hazardous Materials?</b>	70%	68%	74%	74%	57%	57%	19%	19%	36%	38%
<b>4. Emergency Drills?</b>	30%	29%	31%	31%	57%	57%	15%	17%	25%	28%
<b>5. Terrorist Attacks?</b>	35%	34%	14%	14%	43%	43%	9%	10%	25%	28%
<b>6. Rate Impact?</b>	10%	10%	6%	6%	43%	43%	1%	1%	14%	14%
<b>7. External Suppliers?</b>	23%	22%	43%	43%	71%	71%	20%	20%	21%	21%

It is interesting to note that gas utilities responded yes the greatest percentage of time to all of the questions except the question pertaining to hazardous materials. Electric utilities tended to address hazardous materials in more of their plans than any other type of utility. Survey responses through May 24, 2002, indicate that the percentage of companies that address terrorist attack procedures ranges from 10% at telephone companies to 43% at gas companies.



**Service List for**  
**Case No. OO-2002-202**  
**Revised: May 24, 2002 (SW)**

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