

CC:JG

WILKINSON, CARMODY & GILLIAM

ATTORNEYS AND COUNSELORS AT LAW

BOBBY S. GILLIAM
MARK E. GILLIAM
JONATHAN P. MCCARTNEY
HOLLY C. ALLEN

ESTABLISHED 1895
400 TRAVIS STREET, SUITE 1700
SHREVEPORT, LOUISIANA 71101

TELEPHONE (318) 221-4186
TELECOPIER (318) 221-3705

JOHN D. WILKINSON (1867-1929)
W. SCOTT WILKINSON (1895-1985)
ARTHUR R. CARMODY, JR. (1928-2021)

November 8, 2021

RECEIVED BY FAX

NOV 08 2021

Via Fax (225)342-0877

Ms. Terri Lemoine Bordelon
Records Section
Louisiana Public Service Commission
Galvez Building, 12th Floor
602 North Fifth Street
Baton Rouge, LA 70802

LOUISIANA PUBLIC SERVICE COMMISSION

*In re: Application for Authorization to Install Advanced Meters in Accordance with
the Commission's General Order Dated September 22, 2009
U-36169*

Dear Terri:

We attached for filing on behalf of Southwestern Electric Power Company (SWEPCO) in the above captioned docket are the Direct Testimony of Henry A. Brown. We will follow up this fax filing, with the original, a check for filing fees and requisite copies pursuant to Commission Rules.

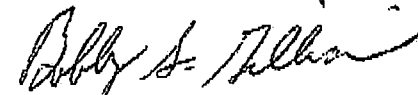
As always, we appreciate your continued assistance and cooperation.

With best regards, I am

Yours very truly,

WILKINSON, CARMODY & GILLIAM

By:



Bobby S. Gilliam
Jonathan P. McCartney

JPM/mml
Enclosure(s)

BEFORE THE
LOUISIANA PUBLIC SERVICE COMMISSION

RECEIVED BY FAX
NOV 08 2021

LOUISIANA PUBLIC SERVICE COMMISSION

APPLICATION OF SOUTHWESTERN :
ELECTRIC POWER COMPANY FOR : DOCKET NO. U-36169
APPROVAL OF ADVANCED METERING :
SYSTEMS IN ACCORDANCE WITH :
COMMISSION'S 2009 GENERAL ORDER :

DIRECT TESTIMONY OF
HENRY A. BROWN
FOR
SOUTHWESTERN ELECTRIC POWER COMPANY

NOVEMBER 8, 2021

TESTIMONY INDEX

<u>SECTION</u>	<u>PAGE</u>
I. INTRODUCTION.....	1
II. PURPOSE OF DIRECT TESTIMONY.....	3
III. SWEPKO'S EMERGENCY REQUEST TO BEGIN INSTALLATION OF AMS METERS TO MAINTAIN SERVICE TO CUSTOMERS IN LIGHT OF SEVERE SUPPLY CHAIN DISRUPTIONS.....	4
IV. CONCLUSION.....	8

1 I. INTRODUCTION

2 Q. PLEASE STATE YOUR NAME, BUSINESS ADDRESS, AND POSITION.

3 A. My name is Henry A. Brown. My business address is 428 Travis, Shreveport,
4 Louisiana, 71101. I am currently employed by Southwestern Electric Power Company
5 (SWEPCO or the Company) as the Director, Grid Modernization.¹

6 Q. PLEASE DISCUSS YOUR EDUCATIONAL BACKGROUND AND
7 PROFESSIONAL QUALIFICATIONS.

8 A. I graduated from Wiley College in Marshall, Texas, with a Bachelor of Science degree
9 in Organizational Management in 1999. For most of my professional career, I have
10 worked in customer service and operations areas of the electric utility business, often
11 working on issues related to electric metering.

12 I began working at SWEPCO in 1975 as a Meter Reader. In 1994, I became
13 the Meterman Supervisor for the Louisiana Division of SWEPCO, where I was
14 responsible for directing the duties of field personnel in the safe installation of
15 transformer rated meter installations, testing, and calibration of all meters in Louisiana.
16 That included coordinating with SWEPCO Engineers, Account Managers, and
17 distribution and transmission personnel to provide service to commercial, industrial
18 and wholesale customers. In 1997, I transferred to Longview, Texas as the Meter Shop
19 Supervisor for East Texas. In 1998, I accepted a position in Shreveport as the Customer
20 Services Supervisor, where I was responsible for the marketing of SWEPCO Good
21 Cents Homes. I subsequently took the position of Manager of Field Activities for

¹ SWEPCO is an operating utility subsidiary of the American Electric Power Company, Inc., (AEP) system.

1 SWEPCO, where I was responsible for directing, supervising, and coordinating all field
2 revenue activities in Arkansas, Louisiana, and Texas. That included all aspects of
3 meter reading, connecting and disconnecting services, collections for nonpayment, and
4 the daily dispatching of service orders.

5 After the merger between AEP and Central & South West Corporation in 1999,
6 I was named the Manager of Field Activities for the Tulsa Region, responsible for
7 directing, supervising, and coordinating all field revenue activities at Public Service
8 Company of Oklahoma and SWEPCO. That included all aspects of meter reading,
9 connecting and disconnecting services, collections for nonpayment, and the daily
10 dispatching of service orders in Arkansas, Louisiana, Oklahoma, and Texas service
11 territories. In 2004, I was named Manager of Meter Revenue Operations for SWEPCO,
12 responsible for the overall design, development, implementation, analysis, and
13 administration of the Company's field customer services activities, including accurate
14 measurement, meter reading, field revenue operations, and transformer rated
15 installations, and the Field Communication Department that dispatches work to the
16 field employees. In 2019, I became Director, Grid Modernization.

17 Q. WHAT ARE THE PRIMARY RESPONSIBILITIES OF YOUR CURRENT
18 POSITION AS DIRECTOR, GRID MODERNIZATION?

19 A. I am responsible for the effective selection, planning, organization, implementation and
20 operation of grid modernization technology, including an advanced metering system
21 (AMS) at SWEPCO. In particular, I am charged with coordinating the development of
22 deployment strategies, regulatory approvals, training, and support needed to maintain
23 an AMS.

II. PURPOSE OF DIRECT TESTIMONY

1 Q. WHAT IS THE PURPOSE OF YOUR DIRECT TESTIMONY?

3 A. The purpose of my Direct Testimony is to support SWEPCO's Emergency request for
4 Commission authorization of its Phase I request to begin installation of up to 12,000
5 Advanced Meter Systems ("AMS") to maintain service in light of the severe supply
6 chain disruptions experienced in connection with the Covid-19 pandemic; and as
7 necessary, an initial exemption from the requirements of Commission's 2009 General
8 Order (R-29213 consolidated with Docket R-29213 Subdocket A, September 22, 2009)
9 ("2009 General Order"). SWEPCO respectfully requests the Louisiana Public Service
10 Commission ("Commission") act at its November 2021 Business and Executive (B&E)
11 meeting to grant approval. SWEPCO previously advised the commission of the
12 urgent need for new advanced meters to serve customers in correspondence dated
13 august 19, 2021, before filing an application on October 1, 2021, requesting a 2-phase
14 proceeding for commission approval of installation of AMS to maintain service for
15 SWEPCO customers. SWEPCO now has a four week meter inventory. This means
16 that by the end of November, SWEPCO will have no meters to install for new
17 customers or to replace older meters that fail in Louisiana. As explained in more detail
18 below, the older meter systems are outdated and beginning critical failure, and are in
19 need of immediate replacement in order to maintain service to SWEPCO customers.
20 Phase 1 of SWEPCO's proposal involves an expedited request for emergency
21 authorization to begin immediate installation of AMS, and phase 2 involves a
22 supplemental filing showing SWEPCO's cost benefit analysis of the AMS meters and
23 compliance with the 2009 general order, all subject to commission review.

1 III. SWEPCO'S EMERGENCY REQUEST TO BEGIN INSTALLATION OF AMS
2 METERS TO MAINTAIN SERVICE TO CUSTOMERS IN LIGHT OF SEVERE
3 SUPPLY CHAIN DISRUPTIONS
4

5 Q. PLEASE DESCRIBE SWEPCO'S NEED FOR IMMEDIATE COMMISSION
6 ACTION TO APPROVE SWEPCO BEGINNING THE INSTALLATION OF AMS
7 TO MAINTAIN SERVICE TO CUSTOMERS.

8 A. As previously identified in its August 19, 2021 correspondence to the Commission, and
9 as further set forth in its October 1, 2021 Application, supported by the Affidavit of A.
10 Malcolm Smoak, COO and President of SWEPCO, SWEPCO has an urgent need to
11 begin installation of AMS meters to maintain service to its Louisiana customers,
12 particularly in light of the severe supply chain disruptions being experienced.
13 SWEPCO meter inventory is down to four weeks, meaning the week after
14 Thanksgiving, SWEPCO will be out of new meters and will no longer have meters to
15 serve new customers or replace failed meters. The older meters have continued to serve
16 beyond the originally anticipated end of life. In addition, the situation is now critical in
17 the Valley District where the network communications system is obsolete and in urgent
18 need of upgrading or replacing. SWEPCO is relying on salvaged communication
19 equipment and older meters it is reallocating so as to continue to serve customers and
20 provide needed meters, but authorization of new AMS is needed to maintain reliable
21 service moving forward.

1 Q. HAS SWEPCO EXPERIENCED EQUIPMENT FAILURES THAT REQUIRE
2 SWIFT ACTION TO REPLACE METERS TO MAINTAIN SERVICE TO
3 CUSTOMERS?

4 A. Yes. SWEPCO experienced a Communication equipment failure in the Marthaville
5 substation on or about October 8, 2021, in the Valley District, and SWEPCO is now
6 estimating bills for the usage of approximately 1,400 customers. A second failure of
7 Communication equipment occurred in Gahagan substation the week of October 18,
8 2021, which placed approximately 650 customers into bill estimation. Due to the
9 diligence of the SWEPCO team, parts were salvaged from the Marthaville substation
10 and the Gahagan substation meter network communications functionality was returned
11 to service on or about October 29, 2021. However, SWEPCO continues to estimate
12 bills for the customers served from the Marthaville substation for the time being until
13 additional equipment can be swapped out.

14 The Aclara metering infrastructure in the Valley District is nearing 20 years of
15 service and is in failure mode. This system is potentially one failure away from
16 SWEPCO having to estimate bills for up to 45,000 customer accounts for months.
17 SWEPCO must begin installation of approximately 482 meters served from the
18 Powhattan substation, in the Valley District, to allow Aclara communications
19 equipment from the Powhattan substation to be scavenged. This scavenged equipment
20 from the Powhattan substation will be installed in the Marthaville substation in the
21 Valley District, to end the current estimation for those 1,400 customers.

1 Q. WILL BEGINNING THE INITIAL DEPLOYMENT OF AMS METERS PROVIDE
2 BENEFITS TO SWEPCO CUSTOMERS?

3 A. Yes. First, it is necessary that SWEPCO begin the immediate deployment of AMS to
4 serve customers in the Valley District to maintain service and monthly metered billing
5 to those customers. This will also allow SWEPCO to begin replacing aging and failing
6 outdated metering systems that have not yet failed but have a high probability of failure
7 in the near future. Second, the substantial benefits of AMS meters have been
8 previously noted in SWEPCO's prior correspondence dated August 19, 2021, and in
9 its October 1, 2021 Application and Affidavit, and include:

- 10 * Improved Reliability;
- 11 * Greater Outage Detection;
- 12 * Peak Usage Analysis;
- 13 * Faster Service Connection;
- 14 * Reduced Costs for Metering and Billing;
- 15 * More Customer Control over Electricity Consumption;
- 16 * Customer Bill Alerts;
- 17 * Mid Cycle Reports;
- 18 * Lower Outage Costs; and
- 19 * Lower utility capital expenditures and customer bill savings resulting from
20 reduced peak demand.

21
22 The Company is in the process of finalizing the Cost Benefit Analysis supporting
23 the deployment of AMS in Louisiana to be included in the Phase II filing with
24 additional supporting testimony and exhibits further detailing the benefits of AMS,

1 as well as the AMS systems to be installed, all in accordance with the Commission's
2 2009 General Order, subject to Commission review in Phase II of the proceeding.

3 Q. DO SWEPCO AND AEP HAVE EXPERIENCE WITH INSTALLATION OF AMS
4 SYSTEMS FOR THE BENEFIT OF CUSTOMERS?

5 A. Yes. The Company has substantial experience in operation of AMS in other
6 jurisdictions, and currently has a pending request in Texas authorizing installation of
7 AMS for the benefit of customers. The Company will leverage this experience with
8 AMS systems in order to provide Louisiana customers with similar benefits, and to
9 maintain service for those customers through the necessary modernization of the grid.
10 Over 100 Million AMS have been installed across the country as older outdated
11 systems are being replaced with the new AMS systems to maintain reliable service for
12 customers. The Commission will have the opportunity to review SWEPCO's
13 deployment plan, and related requests in Phase II of this proceeding, but needs urgent
14 Commission action on Phase I of this proceeding given the recent meter system failures
15 in the Valley District and the four week meter inventory.

16 Q. CAN THIS COMMISSION HELP SWEPCO'S CUSTOMERS IMMEDIATELY BY
17 AN EMERGENCY AUTHORIZATION FOR SWEPCO TO BEGIN
18 INSTALLATION OF AMS METERS?

19 A. Yes. This Commission can act to help SWEPCO's customers in Louisiana by acting at
20 its November B&E to find that it is in the public interest to proceed with beginning
21 initial installation of the AMS Meters. The Commission has broad authority over rates
22 and service, and the 2009 General Order recognizes the needs for exemptions, as noted
23 in General Order paragraph 3.5.5 which reads in pertinent part: "exemptions will be

1 considered by the Commission on a case by case basis.” (emphasis added).

2 Additionally, SWEPCO is not asking for rate recovery as part of this phase. It is merely
3 seeking approval to proceed with the installation of AMS in the Valley District to
4 replace the failed metering system in that area.

5 Q. WILL SWEPCO CONTINUE TO COORDINATE WITH COMMISSION STAFF
6 AND CONSULTANTS IN CONNECTION WITH THIS PROCEEDING?

7 A. Yes. SWEPCO will continue to work with the Commission, Staff and Consultants
8 throughout this proceeding, as well as in Phase II of this proceeding. SWEPCO
9 appreciates the assistance of the Commission and Staff in addressing the urgent needs
10 for immediate initial AMS deployment as in the public interest and for the benefit of
11 SWEPCO's customers.

12 IV. CONCLUSION

13 Q. PLEASE SUMMARIZE YOUR TESTIMONY.

14 A. SWEPCO respectfully requests approval at the November 17, 2021 Business and
15 Executive Session to authorize, on an emergency basis, its Phase I request to begin
16 installation of AMS Meters, beginning with installation of up to 12,000 new AMS
17 meters before the end of the year (2021), and with the Phase II request to be
18 subsequently addressed in this docket. Such an emergency authorization will permit
19 SWEPCO to address equipment failures it has experienced over the last month in its
20 service territory as well as address critical supply chain issues with its meter inventory.

21 Q. DOES THIS CONCLUDE YOUR DIRECT TESTIMONY?

22 A. Yes. It does.