



Oregon Rural Electric Cooperative Association

June 30, 2008

Jerry Murray
Oregon Public Utility Commission
550 Capitol Street NE, Suite 215
Salem, Oregon 97301-2551

RE: PUC Order 07-179

Dear PUC:

We urge the Oregon PUC to delay implementation of the new National Electric Safety Code (NESC) Arc-Flash Protection Rule to correct acknowledged errors in the code and to allow time for OSHA to release its new code. These two standards have very different assessment criteria, and utilities will need to proceed with compliance even though it is unclear what the final standard will be.

With multiple, differing and complex assessment methods and a quickly approaching deadline, utilities must take immediate action unless the PUC delays implementation of the NESC code. For utilities, worker safety is our top priority. Utilities operate under the existing federal and state requirements for worker safety. These requirements will continue to apply to utilities, even if the PUC decides to delay implementation of the NESC code. We have the following concerns about implementing the amended 2007 NESC code, Section 41:

Acknowledged errors NESC has acknowledged that there are errors in values listed in Table 410-2 (minimum distances). OSHA is working on a similar rule and is using the corrected tables. The PUC needs to wait for the OSHA rulemaking to determine how these two rules will be applied in Oregon. Adopting part of the rule (without the tables) is not a viable alternative because there will still be confusion and costs associated with the different standards. It doesn't seem prudent for a state agency to implement a standard that is known to be incorrect and to have two codes addressing the same issue.

Different standards The NESC Rule requires employers to assess "*potential exposure*" to arc flash. This can be interpreted as requiring protective measures even when the likelihood of arc exposure is very small. The interpretation and liability from NESC's vague language -- "*potential exposure*" -- is huge. This choice of words leaves the rule open to interpretation, exposes utilities to unlimited liability and will have a significant effect on utility operations.

OSHA proposal would require employers to make a "*reasonable assessment*" of the maximum available heat energy to which the employee is exposed. This standard allows the utility to evaluate the large system areas, not every specific job task and assess the reasonable likelihood of this occurring.

Unknown factors There are still many uncertainties that have yet to be addressed (e.g., single-phase faults, work on energized facilities, and secondary systems below 1000 V) that make implementation of the NESC code impractical. The predominant utility assessment standard (IEEE 1584) only addresses procedures three-phase, not single-phase faults. Single-phase, open air arcs are the most likely type of incident for distribution utilities.

Uncertainty Assessment of arc-flash hazard is a challenging and inexact science. There is great uncertainty within the industry about how to conduct these assessments. This new requirement poses a significant challenge for many electric co-ops in Oregon. Few co-ops have done this type of assessment and will incur significant costs in completing these assessments.

Cost The cost to implement the code is significant. The burden on small utility systems is great. The Northwest Public Power Association is not offering arc-flash training until August 2008. The cost of purchasing two very different types of clothing systems (NESC and OSHA) will be expensive for small utilities if the PUC implements NESC and then OSHA comes out with a different standard.

Ambitious deadline Before the January 1, 2009 deadline, utilities will need to complete the assessment, provide training and make the necessary changes in work practices and clothing. There are not enough available consultants to assist utilities in conducting these assessments or in providing the training by the deadline. There is also a shortage of the availability of FR clothing. More time is needed to coordinate efforts with other utilities to ensure consistent implementation of the code throughout the state, especially during large-scale weather-related power outages when line workers are "loaned" to other utilities and the need for consistency is critical.

ORECA appreciates the Commission's acknowledgement of our request to delay implementation of the NESC code, in order to provide more detailed information on the rationale, date, cost and conflicts associated with this action. At a recent PUC workshop, all utility groups in Oregon (investor-owned utilities and consumer-owned utilities) spoke in support of a delay in implementation of the NESC code. With such overwhelming support and a multitude of factors supporting a delay, we urge that the PUC take this action.

Sincerely



Sandy Flicker
Executive Director

Cc: Co-op Managers