

KOSRAE UTILITIES AUTHORITY

DISASTER
PREPAREDNESS PLAN



Ready to Serve at ALL Times

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Acknowledgement is given to the Kosrae State Disaster Preparedness Plan for its excellent explanation of probable disasters and detailed procedures for gaining disaster relief aid.

KOSRAE UTILITIES AUTHORITY **DISASTER PREPAREDNESS PLAN**

1. INTRODUCTION

A. Summary

The Kosrae Utilities Authority (KUA) Disaster Preparedness Plan serves two equally important functions:

1. Defines the role of the KUA during a disaster.
2. Lays out steps to identify early preventative and preparedness measures that will reduce the risk of power loss and equipment damage during times of disasters.

Coordination with the State of Kosrae is paramount from the initial “early warnings” to the restoration of power and rebuilding of facilities after a disaster has occurred.

B. Disaster Threats

Disaster threats within the State of Kosrae comprise a wide range of natural and man-made disasters that may affect reliable power delivery. Some of these threats follow:

Typhoon & Tropical Storms	Fire
Loss of Fuel Supply	Earthquake
Epidemic	Floods & Landslide
Oil & Chemical Spills	Tsunami
Volcanic Eruption	Major Accident

II. PURPOSE

The purpose of this KUA Disaster Preparedness Plan is to define the measures to be taken by the KUA to ensure that effective disaster preparedness, response, and recovery of service are carried out. The Plan will aim to accomplish the following:

- Identify and assign responsibilities for planning, development, and implementation of a disaster preparedness program.
- Identify possible events where power would be interrupted for extended periods.
- Provide procedures for communicating with State Government during emergencies.

- Identify and assign responsibility for public information dissemination.
- Provide procedures to assist the State Government in requesting FEMA or other available national or foreign disaster assistance.

III. OBJECTIVES

- To ensure effective disaster preparedness, response, recovery and mitigation.
- To minimize interruption of power delivery.
- To minimize damage to the electrical generation and distribution systems.
- To restore power as quickly as possible.
- To place safety as the highest priority – safety of both KUA employees and the public.
- To support the efforts of State and Municipal Governments to cope with disaster situations.
- To work closely with the State Disaster Coordination Office and the Department of Public Works.

IV. WARNINGS

Warnings can come from any level of government, depending on the nature of the disaster and its discovery. The Governor issues the official warning and makes the necessary declarations.

The following Stages of Warning are issued according to current conditions. These conditions are based upon the lead-time available before the disaster strikes.

1. **Watch – Condition III.** A threat has been identified and could affect the State within 24 to 48 hours.
2. **Alert – Condition II.** The identified threat has been confirmed to strike within the next 12 to 24 hours.
3. **Onset – Condition I.** The threat is imminent and will strike within 12 hours.

4. **Impact** – The disaster has struck.
5. **Relief** – The immediate aftermath of a disaster.

V. DISASTER STAGES

PREPAREDNESS STAGE

- Ensure that KUA-assigned disaster functions are current and accurate.
- Staff & personnel are assigned specific responsibilities regarding line of succession and preservation of vital records.
- Ensure development and implementation of hazard mitigation measures, specifically those required by FEMA.
- Provide coordination and inspection of all existing projects funded as a result of a disaster, and provide periodic project status reports which are required for release of approved funds.
- Designate and train KUA personnel to be involved in damage assessment. (Request the assistance of the Public Works).

WATCH – Condition Three – a threat has been identified and could affect the State within 24 to 48 hours.

- Alert key personnel and brief them on KUA's assigned responsibilities.
- Check that the Communication Check List and the list of Disaster Supplies for Immediate Response are fully stocked and ready to use.
- Ensure serviceability of vehicles and fill with fuel.
- Top off generation fuel tanks.
- Backup office data.

ALERT – Condition Two – threat may strike within 12 to 24 hours.

- General Manager coordinates KUA's role when the Governor activates the State Disaster Preparedness Plan.
- Establish communications with the Director of Public Works.
- Prepare to mobilize personnel, equipment and supplies.
- Secure facilities and vital records.

ONSET – Condition One – threat is confirmed to strike within 12 hours.

- All designated emergency personnel should be at their assigned stations.

- Monitor disaster conditions and perform emergency activities as required.

IMPACT – the disaster has struck.

- Monitor disaster conditions.
- Ensure public and employee safety at all times.

RELIEF – Emergency operations

- Restoration of power to essential public services (hospital, airport, government, communications center, etc.)
- Carry out required damage assessment for Governor’s request for assistance.

VI. DISASTER THREATS

At all times of the year the islands and atolls of the Federated States of Micronesia are subject to tropical cyclones (typhoons and storms), tsunamis (seismic sea waves), floods, fires, environmental pollution, earthquakes and volcanic eruptions and other natural and man-made causes.

Tropical Cyclones

The most frequently occurring type of disasters in the FSM are the tropical cyclones which are considered the major threat to the islands and the inhabitants. Tropical cyclones are classified into four different types:

- A. Tropical Disturbance:** Rotary circulation of the wind is slight or absent at the surface of the ocean but sometimes better developed aloft; no strong winds. This is common in the tropics.
- B. Tropical Depression:** Some rotary circulation at the surface, with winds reaching up to 39 miles per hour.
- C. Tropical Storm:** Distinct rotary circulation at the surface, with strongly developing winds reaching speeds of 40 to 70 miles an hour.
- D. Typhoons/Hurricanes:** Strong and violently forceful. On average, its great spiral covers an area some 100 miles in diameter with winds greater than 175 miles per hour.

Floods & Landslides

Heavy continuous rainfall can quickly create disaster conditions in areas prone to landslides and in lowlands with poor drainage. River flooding is a threat in high

islands with rivers, such as Kosrae. All islands are susceptible to shoreline flooding and water damage resulting from torrential rains particularly those accompanying a tropical cyclone.

Earthquakes

The slow build-up and sudden release of strain within masses of rock along the fault line and the breaking of rocks under strain produce earthquakes. Fault movement may cause widespread damage to buildings and other structures many miles from the epicenter.

Tsunami (Seismic Sea Wave)

Submarine earth movements such as earthquakes, landslides or volcanic explosions cause tsunamis. When generated, a tsunami travels outward from the epicenter in all directions at a speed which may reach 600 miles per hour.

The first wave is not always the most severe. The danger may last for several hours and sometimes several days elapse before the sea returns to normal. A wave may have small effect in one locality and be destructive in another.

Fires

Bush and grassland fires in less populated areas, backed by strong and seasonal prevailing winds may get out of control. Limited access to these areas would add to a disaster possibility. Fires starting in congested urban area could result in a major disaster should it become uncontrollable.

Storm Surges

When there is a tropical cyclone in the vicinity of an island, the storm surge waves may hit the island exceeding fifteen feet in height. These conditions may cause extensive damage to low lying islands, and in some instances have caused the total inundation of coral atolls.

Epidemics

Several instances of epidemics have occurred in the FSM. The US Department of Health Services monitors these occurrences.

Major Accidents

Major accidents would constitute a disaster should there be an overwhelming loss life or property, such as an airplane crash or ship collision.

Environmental Pollution

Oil spills and discharged bilge water are a few examples of accidents that could cause significant loss of marine life and damage to coral reefs.

Appendix A

THE DISASTER RESPONSE TEAM

<p>Director: General Manager, Fred Skilling Office Phone: 691-370-3799 Home Phone: 691-370-2092 Cell Phone: 691-970-1131</p>	
Regular Duties	During and After a Disaster
<ul style="list-style-type: none"> • Calls regular meetings of the Disaster Team throughout the year • Ensures the Disaster Plan is updated annually or more often • Creates and maintains an <u>Emergency Contact List</u> so that employees and other important people are notified at early warning stages of a disaster • Ensures that items on the <u>Disaster Supply List</u> are available and up-to-date • Works with Nat'l, State & local government, hospital, or other company Disaster Teams to ensure compliance with the bigger picture 	<ul style="list-style-type: none"> • Maintains direct communication with Nat'l, State & local governments, hospital, or other organizations and officials • Coordinates Disaster Response with the Operational Manager • Notifies <u>Key Employees</u> of imminent danger • Notifies Board of Directors and keeps them informed • Establishes a <u>Command Center</u> in conjunction with the Operational Manager • Ensures methods of communication both inside and outside the utility facilities • Delegates duties • Monitors cost of recovery for FEMA or national reimbursement • Oversees overall management of recovery and salvage operations • Assesses and records damage with other disaster team members • Completes FEMA reimbursement forms

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Operational Manager: Robert Taulupe

Office Phone: **691-370-3799**

Home Phone: **691-370-5666**

Cell Phone: **691-970-1132**

Regular Duties	During and After a Disaster
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<ul style="list-style-type: none">• Creates and maintains an <u>Emergency Contact List</u> so that employees and other important people are notified at early warning stages of a disaster• Ensures that items on the <u>Disaster Supply List</u> are available and up-to-date• Provides cross-training opportunities for operational staff• Ensures that items on the <u>Communications Equipment Checklist</u> are available and up-to-date• Ensures that the <u>Command Center</u> is supplied with large poster paper, felt-tip markers and masking tape	<ul style="list-style-type: none">• Coordinates Disaster Response with the General Manager• Notifies <u>Key Employees</u> within the Operations Department of imminent danger• Establishes a <u>Command Center</u> in conjunction with the General Manager• Ensures methods of communication both inside and outside the utility facilities• Delegates duties• Begins salvage operations after the facilities are deemed safe• Assesses and records damage with other Disaster Team members
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Public Relations Representative: Nena Nena

Office Phone: **691-370-3799**

Home Phone: **691-370-33903**

Cell Phone: **691-970-1126**

Regular Duties

- Establishes and maintains a private, unpublished phone number for use by staff during an emergency
- Meets regularly with outside media personnel to review communication strategy during an emergency
- Meets regularly with the Kosrae State Communication Officer to review communication strategy during an emergency

Duties During and After a Disaster

- Keeps the Director, Disaster Team and staff informed of latest news from outside the organization
- Acts as the conduit for public information on the disaster
- Contacts media (radio, newspaper, cable tv) with utility-related announcements
- Works with Kosrae State Communication Officer to insure consistency of public information
- Works with local clergy to communicate to the public
- Photographs the damage to the utility
- Maintains a photographic record of recovery efforts

Appendix B

EMERGENCY CONTACT LISTS

KUA STAFF

Administration

Name	Home Phone	Cell Phone
Fred Skilling	2092	1131
Nena Nena	3903	1126
Jerry Prodacil	3759	4100
Robert Gilliana	3672	1242
Benson Langu		3215
Denita Eram	3206	1131, 2077
Loucila Abraham	3725	1358
Shrue Tualupe		1328
Smolina Nena		5168

Production

Name	Home Phone	Cell Phone
Robert Tualupe	5666	1132
Winfield Paulino	3985	5170,5249
Ronald Shrew	3248	
Harry George	3236	
Arthur Sigrah		4534
Ronald Albert	8072	3701
Alokoa Careston	3899	

Distribution

Name	Home Phone	Cell Phone
Keller Nena	5006, 7855	
Hanson Nena	5230	
Sankey Sigrah	3404	
George George	2991	
Gifford Sigrah	2043, 3128	
Ronny George	2836	
Rodgarry Lonno	5182	1812

GOVERNMENT AGENCIES, SCHOOLS and BUSINESS

Name	Phone
KOSRAE STATE GOVERNMENT	
Airport	3228
Aquaculture	2069
FSM Telecom	411,611
Governor's Office	3002
Health Services - Hospital	3012, 3428
State Court	3033
Legislature	3019
Public Safety – Fire Department, Police	3333
Public Works	3165
Radio Station - Broadcast (V6Aj)	3040
Tourism	2228
Water Treatment	3015
MUNICIPAL GOVERNMENT	
Lelu	3037
Tanfunsak	3211
Malem	4501, 4496
Utwe	3207
SCHOOLS	
COM – FSM Kosrae Campus	3191, 3193
Kosrae High School	3074
Lelu Elementary School	3063
Malem Elementary School	4507
Sansrik Elementary School	3705
Tanfunsak Elementary School	2295
Upward Bound	
Utwe Elementary School	5072
BUSINESSES	
Continental Airlines	2024
Kosrae Terminal & Stevedoring	3085, 3731
Kosrae Nautilus Resort	3567
Kosrae Village Resort	3483
Micronesia Petroleum Corporation	2477,7808

VENDORS AND CONSULTANTS

Name	Service	Contact Information
Al Asher and Sons Inc	Distribution	(323) 225-2295
		jim@alasher.com
Arthur D Riley & Co (Landis + Gry)	Distribution CashPower Metering	(64-4) 472 7614 pmackenziel@adriley.co.nz
Bob Mieger	Consulting	(360) 939-0240
		bob@3bhoney.com
CBM Radiators	Generation	(61-8) 8340-7225
		manfred@cbm-radiators.com.au
Cooper Power Systems	Distribution/Generation	(612) 8787-2779
		malmario@cooperelectrical.com.au
Dateline Exports	Distribution	(503) 678-2065
		evanschmidt@datelineexports.com
Hawthorne Power Systems	Generation	(808) 676-0264
		bmason@hawthornecat.com
Howard Industries	Distribution/Generation	(601) 425-3151
		marketing@howard-ind.com
Nelson Associates	Consultant	(940) 498-4044
		bknelson66@hotmail.com
Ohm International	Distribution	(713) 917-0111 ext 101
		pete.gandolfo@ohminternational.com
Pohnpei Computer Consulting	Administration - computer	(691) 320-7497 noelboylan@mail.fm
Pohnpei Utility Corporation	Administration - computer	(691) 320-2374 freleyd@yahoo.com
Sage Software	Administration	
	MAS 90	

Appendix C

COMMUNICATION EQUIPMENT CHECKLIST

1	Cell Phones for all key employees
2	Two-way CB radios for power plant, administration, pickups and bucket truck
3	All Weather radio, (battery operated portable)
4	Battery operated radios for news reports
5	Bull horn – quantity 3
6	** New replacement batteries for all of the above **
7	
8	Note: Explore installing a KUA CB antennae on Telecom tower
9	
10	

Appendix D

DISASTER SUPPLIES FOR IMMEDIATE RESPONSE

	ADMINISTRATION
1	Operable fire extinguishers
2	Flashlights and extra supply of fresh batteries
3	First aid kit
4	2-Way CB radios
5	Bull horn
	GENERATION
1	Fuel spill cleanup kits
2	Operable fire extinguishers
3	Flashlights and extra supply of fresh batteries
4	First aid kit
5	2-Way CB radios
6	Portable generator and gas supply
7	Bull horn
8	Chain saws
	DISTRIBUTION
1	In Each Vehicle: operable fire extinguisher, flashlight and first aid kit
2	In Warehouse: operable fire extinguisher, flashlight and first aid kit
3	2-Way CB radios
4	Emergency strobe lights for vehicles
5	Bull horn
6	Chain saws

Appendix E

ESTABLISHING A “COMMAND CENTER”

- I. Who is in charge? (Initially, Fred and Robert)
 - a. List your management succession based on who is available.
 - i. This is dynamic and will probably change
 - ii. WRITE IT DOWN AND POST IT
- II. Identify the disaster
 - a. What assumptions should you make when considering how you will respond or should be responding to disaster?
 - i. Do you know a disaster is going to happen? Has there been a distant earthquake that has generated a tsunami? Is there a storm forming somewhere off the coast and is it forecast to strike your area?
 - 1. Distant events allow you to plan and establish communications.
 - 2. Talk to your critical customers about their plans and needs.
 - 3. Stage your equipment and inventory at areas away from and higher than the inundation zones.
 - 4. Consider de-energizing portions of the system in or near the inundation zone.
 - 5. Remove critical documents and finances to a safe area.
 - ii. Has the Disaster already happened? Was there a local earthquake? Was there an event offshore that has caused a significant earthquake, tsunami, or combination of both?
 - iii. Is there a threat of manmade disaster at the hands of terrorists or military attack?
 - 1. Follow directions from assigned law enforcement
 - 2. Do not move or change anything
 - 3. Direct personnel in the field to “Freeze in Place” until otherwise directed

- III. Identify your assets
 - a. WRITE IT DOWN
 - i. AS YOU LEARN SOMETHING, WRITE IT DOWN.
 - 1. White boards are good
 - 2. FLIP CHARTS ARE VERY GOOD (they don't need to be erased)
 - 3. When something changes, write down the change as soon as you know about it.
 - b. Communications
 - i. This is a good time to do a Communications Check and Evaluation
 - 1. Local Communication
 - a. Telephone
 - b. Two-Way CB radio
 - i. Via Repeater
 - ii. Truck-to-truck
 - c. Walking or driving
 - d. Cell phone
 - 2. Distance Communication
 - a. Other emergency services (govt., hospital, etc.)
 - b. Other utilities
 - ii. Write down your current communications capabilities
 - c. People – Your people are your most important asset. Protect them!
 - i. Where are they? Write down where every one of your people is even if they are sitting next to you. Write down their full names and job specialty. If you don't know exactly where they are, write down where you believe they are and what you believe they are doing.
 - 1. In your building
 - 2. In another building
 - 3. In "the field" with others
 - 4. In "the field" alone
 - ii. UPDATE INFORMATION! As soon as you get better information about where your people are, UPDATE YOUR LIST!
 - iii. What do you have time for? Can you send some of your people home to tend to the needs of their family? Will some of your people leave with the intention of being with their family during the disaster? Will some of your people leave during the disaster to look for or assist family members?

1. Talk to those people who are available and ask them their intentions.
 2. Do they have medical needs like prescriptions or therapies that must be received to stay productive?
 3. Do you have a place for your people to sleep, wash, eat?
 4. Do you have emergency water & food stores available for at least 3 days?
 - a. 1 gallon of water per person
 - b. 2 meals per day per person
 5. Do you have water available or a water purification system?
- iv. Keep your people busy! Involve them in decisions and team planning.
1. Demand safety
 2. Encourage flexibility
 3. Encourage innovation
- d. Transportation – What is the condition of your fleet?
- i. What is running?
 1. Where is it? Is it separated from your office by water because a bridge or road is damaged?
 2. How long will it keep running? Does vehicle have fuel?
 - ii. What can you get running?
 - iii. What is not running and simply in the way?
 - iv. Are there support services available?
- e. Inventory – Do you have what you need to do the job?
- i. What jobs can you do with what you have?
 - ii. Are there parts of the system where you can pirate inventory to meet critical needs?
- f. Finances and Purchasing
- i. Do you have a local resource for important tools and items?
 - ii. Do you have a way to purchase what's needed?
 - iii. In extreme emergencies "Cash is King"
 1. Do you need cash?
 2. Do you have cash?
 3. Are you authorized to spend cash?
 4. Even in emergencies you must remember to keep receipts for purchases or services.

g. Rules, Regulations, and Policies

i. Be reasonable and flexible in the application of rules

1. Sometimes rules and policies will get in the way of responding.
2. SAFETY FIRST: Never allow safety to be overlooked for the sake of convenience. In the long run it will cost you extra time and may result in the failure of your mission.

IV. ACT

- a. Start using the resources you have to accomplish your identified missions. This could be anything from beginning to restore the system to just getting some fuel for the only truck you have left running.
- b. Trust the plan you all have created together. Don't be afraid to make changes as situations change.

Appendix F

MUTUAL AID AGREEMENT

Mutual aid shall be defined as utilities providing – and receiving – assistance to restore services in emergency situations.

Fundamental to this Agreement is that the utility lending assistance shall incur neither a financial gain nor a loss for assistance rendered, and that employees providing assistance shall not bear expenses which they would not have been responsible for during normal work assignment. Additionally, the policies and/or labor agreement(s) of the utility providing assistance shall be honored by utilities that receive assistance.

PACIFIC ISLAND UTILITIES MUTUAL AID AGREEMENT

ARTICLE I. PURPOSE

Pacific Island utilities desire to provide a method whereby utilities sustaining physical damage could obtain emergency assistance from other utilities when requested. The purpose of this document is to expedite this assistance.

ARTICLE II. DEFINITIONS

- A. **AGREEMENT** – The Pacific Island Utility Agreement. A signed copy of the Agreement shall be provided to each of the participating utilities.
- B. **PARTICIPATING UTILITY** – Any utility that executes this Mutual Aid Agreement.
- C. **DAMAGED UTILITY** – Any participating utility that sustains physical damage to its system as a result of flood, fires, storms, earthquakes, or other acts of God, or acts of terrorism, and seeks assistance pursuant to this Agreement.
- D. **ASSISTING UTILITY** – Any participating utility that agrees to provide assistance to a damaged utility pursuant to this Agreement.
- E. **ASSISTANCE** – Assistance includes personnel, equipment and material resources.

- F. **AUTHORIZED REPRESENTATIVE** – An employee of a participating utility authorized by that utility to request or offer assistance under the terms of this Agreement. (A list of authorized representatives shall be attached to this Agreement as Appendix A.)
- G. **PERIOD OF ASSISTANCE** – The period of time beginning with the departure of any personnel of the assisting utility from any point, for the purpose of traveling to the damaged utility in order to provide assistance - and ending upon the return of all personnel of the assisting utility, after providing the assistance requested, to their residence or place of work, whichever is first to occur. The period of assistance shall not include, however, any portion of the trip to the damaged utility or the return trip from the damaged utility during which the personnel of the assisting utility are engaged in a course of conduct not reasonably necessary to their safe arrival at or return from the damaged utility.
- H. **WORK OR WORK-RELATED PERIOD** – Any period of time in which either the personnel or equipment of the assisting utility are being used by the damaged utility to provide assistance. Specifically included within such period of time are rest breaks when the personnel of the assisting utility will return to active work within a reasonable time. Specifically excluded within such period of time are breakfast, lunch and dinner breaks.

ARTICLE III. PROCEDURES FOR UTILITIES REQUESTING ASSISTANCE

In the event that a participating utility becomes a damaged utility and desires assistance, the following procedures shall be followed:

- A. The damaged utility shall contact the authorized representative of one of more of the participating utilities and provide them with the following information:
1. a general description of the damage sustained;
 2. the part of the system for which assistance is needed, e.g., power plant, distribution, etc;
 3. the amount and type of personnel, equipment, materials and supplies needed and a reasonable estimate of the length of time they will be needed;
 4. the present weather conditions and the forecast if the utility was damaged by severe weather; and

5. a specific time and place for a supervisory representative of the damaged utility to meet the personnel and equipment of the assisting utility.
- B. When contacted by a damaged utility's representative, the authorized representative of a participating utility shall assess whether their utility is capable of providing mutual aid. If they are, the participating utility will provide the following information:
1. a complete description of the personnel, equipment and materials available to be furnished to the damaged utility;
 2. the length of time the personnel, equipment and materials will be available;
 3. the work experience and ability of the personnel and the capability of the equipment to be furnished; and
 4. the estimated time when the assistance will arrive at the designated location.
- C. Nothing express or implied herein shall prevent an assisting utility from withdrawing aid in the event the assisting utility determines its situation has changed and such action is necessary.

In the event of withdrawal of aid, the authorized representative of the assisting utility shall report the current situation to the damaged utility's representative and establish a reasonable time period for the return of assisting personnel.

- D. The personnel and equipment of the assisting utility shall remain under the direct supervision and control of the designated supervisory personnel of the damaged utility, until released or otherwise designated. Supervisory personnel of the damaged utility shall identify work assignments and schedules for the personnel providing assistance.
- The assisting utility's personnel shall maintain daily time records and a log of equipment hours, signed by the damaged utility's supervisory personnel. The assisting utility's personnel shall also be responsible for the operation and maintenance of that utility's equipment, and shall report problems/work progress to the damaged utility's supervisory personnel.
- E. The assisting employee shall not be required to work in any area or with equipment that the assisting employee determines may place him in an unsafe situation. The assisting employee shall notify the damaged utility's

authorized representative of any situation that prevents the completion of assigned tasks.

- F. The damaged utility shall have the responsibility of providing necessary food and housing for the personnel of the assisting utility from the time of their arrival at the designated location to the time of their departure.

ARTICLE IV. REIMBURSABLE EXPENSES

The terms and conditions governing reimbursement for any assistance provided under this Agreement shall be agreed to prior to the providing of such assistance and shall be in accordance with the following provisions:

- A. **PERSONNEL** – During the period of assistance, the assisting utility shall continue to pay its employees according to its then prevailing rules and regulations. The damaged utility shall reimburse the assisting utility for all direct or indirect payroll costs and expenses incurred during the period of assistance, including, but not limited to, employee pensions and benefits.
- B. **EQUIPMENT** – The assisting utility shall be reimbursed for the use of its equipment during the period of assistance according to either a pre-established hourly rate (Exhibit B) or according to the actual operation and maintenance expenses incurred.
- C. **MATERIALS AND SUPPLIES** – The assisting utility shall be reimbursed for all materials and supplies furnished by it and used or damaged during the period of assistance, unless such damage is caused by negligence of the assisting utility's personnel. The measure of reimbursement shall be the replacement cost of the materials and supplies used or damaged, plus 30 percent of such cost. In the alternative, the parties may agree that the damaged utility will replace, with a like kind and quality as determined by the assisting utility, the materials and supplies used or damaged.
- D. **PAYMENT** – The assisting utility shall bill the damaged utility for all reimbursable expenses not later than 45 days following the period of assistance unless a written request for an extension is made by the assisting utility. The damaged utility shall pay the bill in full not later than the 30th day following the billing date. Unpaid bills shall become delinquent upon the 45th day following the billing date and once delinquent shall accrue interest at the rate of seven (7) percent per annum.

ARTICLE V. LIABILITY

- A. GENERAL RULE – The damaged utility assumes the sole and exclusive responsibility and liability during the period of assistance for any and all claims arising from loss, damage or injury to the personnel or property of the assisting utility, the personnel or property of the damaged utility, and to third person or their property. The damaged utility agrees to indemnify, defend and hold harmless the assisting utility from any claims against the assisting utility arising from such loss, damage or injury.
- B. EXCEPTIONS – If any loss, damage or injury to the personnel or property of the assisting utility, the personnel or property of the damaged utility, or to third persons on their property is in any way caused by negligence of the assisting utility’s personnel, the assisting utility shall be solely and exclusively liable for any claims arising from such loss, damage or injury. The assisting utility agrees to indemnify, defend and hold harmless the damaged utility from any claims against the damaged utility resulting from such loss, damage, or injury.

ARTICLE VI. ARBITRATION

All disputes between two or more participating utilities arising from participation in this Agreement, which cannot be settled through negotiation, shall be resolved by binding arbitration, conducted under rules of a mutually agreed upon independent arbitrator.

ARTICLE VII. TERM OF THE AGREEMENT

This Agreement shall remain in full force and effect for a period of six (6) years from the date of final signature.

Renewal and Termination: After the initial term, this Agreement will automatically renew on a contract year basis. Any party may terminate participation in the Agreement with thirty (30) days notice to other parties.

KOSRAE UTILITIES AUTHORITY

Date _____

POHNPEI UTILITIES
CORPORATION

Date _____

YAP STATE PUBLIC SERVICE
CORPORATION

Date _____

CHUUK PUBLIC UTILITY
CORPORATION

Date _____

GUAM POWER AUTHORITY

Date _____

MARSHALL ENERGY
COMPANY

Date _____

Appendix G

PLANS FOR SPECIFIC EMERGENCIES

1. Computer or Software Failure
2. Office Fire
3. Power Plant Fire
4. Fuel Supply and Delivery – no diesel available
5. Loss of Key Personnel
6. Typhoon or Severe Storm

Possible Event - 1

Computer or Software Failure

Examples

1. Office fire
2. Computer virus causing software or hardware failure resulting in data loss

Critical Impact

1. Customer billing
2. Accounts receivable and payable
3. Payroll
4. Record keeping

Preparedness

1. Back-up data daily:
 - a. Add CD burner to server and back up whole system
 - b. Install redundant servers
 - c. Use off-site data storage of back-up CDs/DVDs
 - d. Use on-line file service (mangosoft.com or equivalent)
2. Identify and keep current a listing of all business software
3. Identify and keep current an inventory of all computer specifications
4. Identify a “quick response” vendor for replacement and upgrades
5. Establish working relationship with a computer specialist
6. Cross train employees

Response

1. Contact and engage computer specialist
2. Identify failures and most critical applications
3. Notify the Board of Directors
4. Notify all people/companies who will be affected by the failure

Recovery

1. Repair and replace systems that are most critical first
2. Continue repairs until entire system is functioning
3. Communicate with customers

Mitigation

1. Computer and software upgrade every 3 to 5 years to take advantage of the latest security and technical advances.
2. Review effectiveness of computer system annually.
3. Build or purchase fireproof storage vault for backup CDs
4. Cross-train employees.

Possible Event - 2

Office Fire

Examples

1. Accidental or deliberate fire in the office destroying computers, records and valuable information

Critical Impact

1. Customer billing
2. Accounts receivable and payable
3. Payroll
4. Record keeping

Preparedness

1. Establish a 'Fire Prevention Plan' to minimize risk
2. Have fire-fighting training
3. Have functional fire extinguishers readily accessible
4. Follow guidelines for *Computer or Software Failure*
5. Back-up data daily
6. Use off-site storage (mangosoft.com or equivalent)
7. Cross-train employees

Response

1. Review extent of damage
2. Set up temporary office
3. Notify the Board of Directors

Recovery

1. Replace systems that are most critical first
2. Follow guidelines for *Computer or Software Failure*
3. Communicate with customers

Mitigation

1. Use off-site storage of important and critical information that can be readily available to re-establish business operations

Possible Event - 3

Power Plant Fire

Examples

1. Accidental or deliberate fire in the power plant shuts down generation

Critical Impact

1. Island-wide power outage

Preparedness

1. Establish a “Fire Prevention Plan” to minimize risk
2. Have fire-fighting training
3. Clearly identify all fuel shut-off valves
4. Have functional fire extinguishers readily accessible
5. Every employee be observant of high-risk situations that could ignite into a fire – fuel leaks, piles of rags, trash, etc.
6. Daily inspections by Plant Manager
7. Have spill cleanup materials readily available
8. Train all employees to be aware of suspicious activity and how to report it
9. Cross-train employees

Response

1. Review extent of damage
2. Request Mutual Aid and assistance from off-island consultants/vendors
3. Establish temporary generation facilities
4. Operate under the “Emergency Fuel Plan” load curtailment guidelines
5. Communicate with the customers
6. Notify the Board of Directors

Recovery

1. Rebuild and reestablish power as soon as possible
2. Use standby generators for critical loads

Mitigation

1. Acquire (or designate) a stand-by generator that would be stored in a location away from the power plant.
2. Purchase automatic fire suppression equipment for the power plant.

Possible Event - 4

Fuel Supply and Delivery – no diesel available

Examples

1. MPC unable to deliver fuel

Critical Impact

1. Island-wide power outage

Preparedness

1. Plan for adequate supply of fuel to last a minimum of 60 days
2. Establish an “Emergency Fuel Plan” that would identify when power rationing and curtailment might be necessary
3. Actively communicate with MPC and plan accordingly
4. Communicate with FSM/DOI/FEMA to establish emergency fuel delivery plan
5. Cross-train employees

Response

1. Communicate to customers the possibility of an island-wide power outage
2. Take necessary steps as identified in the Emergency Fuel Plan
3. Notify the Board of Directors

Recovery

1. Re-establish power as soon as adequate fuel is available
2. Curtail power to save fuel (rolling blackouts)
3. Communicate appropriate details to public

Mitigation

1. Make capital improvements in the island fuel supply system that are most vulnerable to causing delivery problems, such as taking steps to prevent a storage tank rupture, or having a spare fuel delivery truck.
2. Consider a stakeholder position in MPC.
3. Participate in FSM Utilities Group.

Possible Event - 5

Loss of Key Personnel

Examples

1. Key employees off-island at time of disaster
2. Sickness affecting key employees

Critical Impact

1. Business operations
2. Distribution
3. Generation

Preparedness

1. Cross train employees to take on added responsibilities when needed
2. Establish a policy to limit key personnel off-island at the same time
3. Establish a "Next in Command" policy when key personnel are unavailable
3. Establish Mutual Aid Agreements with other utilities to assist when needed

Response

1. "Next in Command" employees assume responsibility
2. Request Mutual Aid
3. Notify the Board of Directors

Recovery

1. Continue operating until key personnel are available

Mitigation

1. Use email to communicate with key employees when they are off-island. Use phones and cell phones where possible.
2. Develop a working relationship with consultants and vendors who can provide technical assistance when requested.
3. Provide cell phones to key employees when off-island

Possible Event - 6

Typhoon or Severe Storm

Examples

1. Tropical storm hitting the island causing severe damage

Critical Impact

1. Island-wide power outage

Preparedness

1. Continue with line maintenance and hardening, specifically where required by FEMA
2. Designate and train personnel to be involved in damage assessment
3. Condition 3 – threat identified within 48 to 24 hours
 - a. Alert key personnel and brief them on assigned responsibilities
 - b. Ensure an adequate supply of emergency provisions – food, water, fuel
 - c. Ensure serviceability of trucks and equipment
4. Condition 2 – threat identified within 24 to 12 hours
 - a. General Manager coordinates KUA’s role when the Governor activates the State Disaster Preparedness Plan
 - b. Establish communication with the Director of Public Works
 - c. Prepare to mobilize personnel, equipment and supplies
 - d. Secure facilities and vital records
5. Condition 1 – threat is confirmed to strike within 12 hours
 - a. All designated emergency personnel should be at their assigned stations
 - b. Monitor disaster conditions and perform emergency activities as required
6. Impact – the disaster has struck
 - a. Monitor disaster conditions and ensure public and employee safety at all times
7. Cross-train employees

Response

1. Establish a “Command Center”
2. Review extent of damage
3. Work closely with the State Communication Officer
4. Establish temporary generation facilities if necessary
5. Restore power first to essential public services (hospital, airport, FSM Telecommunication’s tower center, etc.)
6. Notify the Board of Directors

Recovery

1. Rebuild and repair systems as soon as possible
2. Use standby generators for critical loads
3. Complete Damage Survey Report (DSR) and coordinate with the State Government for the application of FEMA or other emergency funding
4. Account for all cost associated with the disaster

Mitigation

1. Continue with line hardening of the distribution system.
2. Ensure that buildings, especially roofs, are structurally sound and make capital investments where necessary.

Appendix H

SUMMARY OF MITIGATION RECOMMENDATIONS FROM POSSIBLE EVENTS

ADMINISTRATION

1. Computer and software upgrades every 3 to 5 years to take advantage of the latest security and technical advances.
2. Review effectiveness of computer system annually.
3. Build or purchase fireproof storage vault for backup CDs.
4. Add CD Burner to server to backup all files.
5. Use off-site storage of important and critical information that can be readily available to re-establish business operations.
6. Use the email to communicate with key employees when they are off-island.
7. Develop a working relationship with consultants and vendors who can provide technical assistance quickly when requested.
8. Establish and maintain a private, unpublished phone number for use by staff during an emergency.
9. Install KUA CB antennae on the FSM Telecom tower.
10. Cross-train employees – the more they know the better they can help in emergencies.

DISTRIBUTION

1. Continue with line hardening of the distribution system.
2. Ensure that buildings, especially roofs, are structurally sound and make capital investments where necessary.
3. Cross-train employees – the more they know, the better they can help in emergencies.

GENERATION

1. Acquire (or designate) a stand-by generator that would be stored in a location away from the power plant.
2. Install automatic fire-suppression equipment for the power plant.
3. Make capital improvements in the island fuel supply system that are most vulnerable to delivery problems, such as taking steps to prevent a storage tank rupture, or having a spare fuel delivery truck.
4. Consider a stakeholder position in MPC.
5. Participate in FSM Utilities Group.

Cross-Train employees – the more they know, the better they can help in emergencies.

Appendix I

FEDERAL ASSISTANCE AFTER A PRESIDENTIAL DECLARATION

A. General

The FSM government becomes eligible for Federal Disaster Assistance (provided under US PL 93-288) after a Presidential declaration of either an “emergency” or a “major disaster” is issued.

B. Categories of Eligible Costs

Only certain costs incurred in emergencies or in major disaster operations are eligible for reimbursement.

1. Salaries, Wages, & Administrative Expenses

a. Eligible

Salaries and wages (including overtime) of regular and extra employees of the applicant directly engaged in the performance of eligible disaster work, except as noted below. However, only gross salaries and wages will be reimbursed and the applicant will be responsible for all other payroll costs.

b. Ineligible

Regular salaries of regularly employed policemen and firemen and other employees whose duties do not change because of the disaster, such as levee patrollers, pumping plant operations, weather services personnel, and building inspectors.

Administrative expenses including salaries, wages and expenses of the National, State, and Local officials who are responsible for directing regular governmental activities.

Salaries, wages, fees and expenses of individuals or firms while engaged in the preparation and processing of project applicants, claim for payment, and supporting documentation, including costs of damage estimates.

Other ineligible costs includes related legal fees, office supplies and equipment, rent, telephone and telegraph expenses, interest charges, employer’s share of payroll additives over and above the employee’s gross pay.

2. Costs for Equipment, Supplies & Materials

a. Eligible

Costs for materials and supplies consumed in eligible disaster work, including those procured by direct purchase or taken from applicant's stock.

Rental costs of privately owned equipment used in performing eligible disaster work, provided rental rates are comparable to the going rates for the same or similar equipment. Such costs will be based on the FEMA Schedule of Approved Equipment Rates of a Public Entity. A schedule may be obtained from the FEMA FCO for the usual types of equipment used during disaster operations. This schedule has been developed from historical records for costs of owning and operating equipment throughout the country. The schedule covers all costs eligible under PL 93-288 for ownership and operation of publicly owned equipment except labor costs of operators. It includes depreciation, all repairs, fuel lubricants, tires and other operating costs of a similar nature. The schedule does not cover insurance, equipment shelters, overhead and similar nature. The schedule does not cover insurance, equipment shelter, overhead and administrative costs. If an applicant uses equipment, which is not listed on the above schedule, he should submit the make, model, horsepower and original cost of the equipment to the Regional Director who will furnish the allowable rate.

b. Ineligible

Costs for transportation equipment utilized by police and other employees whose duties do not change because of the disaster.

Costs of hand tools (shovels, handsaws, hammers, etc.), personal equipment and protective clothing used in performing eligible work.

Charges for insurance, storage, overhead and administrative costs.

3. Costs for Work Performed by Contract

a. Eligible

Reasonable costs for work performed by private contractors on eligible projects contracted for in accordance with National or State status. If competitive bidding procedures were not followed, justification will be required as part of the documentation accompanying the voucher.

b. Ineligible

Costs incurred under contracts based on cost plus percentage of cost basis, except when approved by the Department. Costs incurred under contracts based on contingency clauses. No Contract entered into by an applicant for disaster work or services under the Act shall contain a provision, which makes the payment for such work contingent upon reimbursement under the Act.

Costs incurred under contracts performed by contractors whose names appear on the FEMA Consolidated List of Debarred, Suspended and Ineligible Contractors will not be reimbursed unless it has been determined by the Associate Director, on an individual contract basis, that it is in the best interest of the Government.

4. Costs for Work Performed by Arrangement between Government Agencies

a. Eligible

Costs for work performed under arrangements between States of the FSM, but limited to the direct costs of the performing State Government, which would be eligible if the applicant had performed the work. Appropriate work supervision and record-keeping by the applicant and the performing State Government are necessary to identify eligible work.

b. Ineligible

Costs for work performed under arrangements between the FSM National Government and the State Government and a Federal Agency, except where approved by the Regional Director, FEMA, Region IX.

5. Costs for Lands, Easements and Rights of Way.

- a. Eligible
- b. Ineligible

All costs incurred for lands, easements or rights of way are ineligible, except in unusual circumstances involving relocation of a facility when approved by the Associate Director, State & Local, Programs & Support, FEMA.

6. Costs for Work Performed by Service Fraternal and other similar Organizations, which do not normally contract their services for disaster relief.

- a. Eligible

Only out-of-pocket costs for equipment, materials and supplies used or consumed in the performance of eligible work. This could include the FEMA rate for operating group member's equipment.

- b. Ineligible

Wages or salaries of member personnel engaged in disaster relief activities.

7. Prison Labor

- a. Eligible

Out-of-pocket costs to an eligible applicant of prison labor performing eligible disaster work, including the amount paid the prisoners in including the amount paid the prisoners in accordance with rates established prior to the disaster, and the cost of transportation.

- b. Ineligible

Costs of food, lodging and guards. Also, any costs for prison labor utilized by a contractor.

8. Costs for Vector Control & Fixed Pumping

- a. Eligible

Costs, which are not a normal recurring item on an annual basis. When such costs are a normal recurring item, excess of such costs (including

FEMA equipment rates) over the average cost for the same period of time during the previous three years will be considered eligible. Items 1 thru 7 above. For permanently installed pumping equipment, the applicant may be required by the FEMA Regional Director, to submit additional information on the pumping operation.

b. Ineligible

Any repairs of fixed pumping equipment required as a result of pumping operations.

9. Damage Survey Reports (DSRs)

A DSR must be completed for each area and facility which is damaged and for which reimbursement is anticipated. DSR is the basic accounting document, which when completed must be signed by the Federal and Applicant officials involved and forwarded to the PDC for inclusion in the Project Application.

10. Project Application (PA)

The President's Disaster Coordinator, as agent for the applicant, submits a PA for emergency and permanent work. Along with it, he submits the documents, which appoints his as agent. (See FEMA/STATE agreements)

Supplements to add additional line items to the PA must comply with the same timetable applicable to the PA for which the supplement is submitted. Supplemental requests to increase the cost of work must be submitted as soon as possible. If, in performing the work, it is determined that the cost of work in a line item will exceed the amount approved in the PA, the applicant official assigned management responsibility must provide the FSM PDC data as

1. The exact work performed or to be performed.
2. The cost originally approved
3. The actual cost of each project with a list of materials
4. The reason for the increase.

Specific programs of assistance, available after a Presidential declaration, are listed under sections of Individual & Public Assistance.

VII. INDIVIDUAL ASSISTANCE

- A. Individual assistance such as mass care operations to save lives and property are considered to be the responsibility of the Local Government (FSM State) with jurisdiction over the stricken area and must begin as soon as the need is identified. The Federal authorities involved will look to the Local government, assisted by the International Red Cross or other Voluntary Organizations, to conduct individual assistance operations and will assist only if it is determined that
- B. When there is a “major disaster” or “emergency” declaration, certain individual assistance programs are available to provide assistance. Such programs as the Temporary Housing Assistance/Minimal Repair Program, and the Individual & Family Grant Program can be requested to provide assistance. Assistance for home loans may be available from the Small Business Administration.
 - 1. Specifics on the THAP/MRP and the IFG can be found in the Administrative Plans for these programs.

VIII. PUBLIC ASSISTANCE

A. Public Assistance under “Emergency” Declaration

- 1. Federal technical assistance and/or advisory personnel are available to assist a disaster stricken government to perform essential community services, which includes warning of further risks and hazards, public information, assistance in health and safety programs, technical advice on management, control, and reduction of immediate threat to public health and safety.
- 2. Federal agencies may make Federal equipment, supplies, personnel, and other resources (other than extension of credit) available to a disaster stricken government. This includes the lending or donating of surplus Federal equipment and supplies.
- 3. FEMA may provide funds for emergency debris clearance limited to that necessary to save lives, protect, and maintain public safety. Such assistance includes clearing debris from roads and facilities as necessary for the performance of emergency tasks and for the restoration of essential services.
- 4. FEMA may provide funds for a feeding program for the population of a stricken area when the means of growing and harvesting have been destroyed or temporarily disrupted (a protective measure).
- 5. FEMA may provide funds for restoration of emergency repairs to essential utilities and facilities as necessary to insure their continued operation. For example: emergency bridgework, road repairs and detours, utility tie-ins with neighboring utilities and emergency building repairs.

6. FEMA may provide temporary communications during or in anticipation of a declared emergency and may make these communications available to an affected jurisdiction until essential emergency communications needs are met.
7. FEMA may provide funds for the cost of emergency public transportation to government offices, supply centers, stores, post offices, schools, major employment centers, and such other places as may be necessary to enable the community to resume its normal pattern of life in the affected area.

B. Public Assistance under a “Major Disaster” Declaration

1. In addition to all assistance available under an “emergency” declaration, FEMA may provide funds to help restore, reconstruct or replace damaged facilities including those under construction at the time of disaster.
2. FEMA may also make contributions to help private, non-profit educational, utility, emergency, medical, and custodial facilities (including those for the aged and disabled) damaged or destroyed by a “major disaster”.
3. The US PL 93-288, under which this assistance is available, authorizes loans to any local government, which has suffered a substantial loss of tax, and other revenues as a result of a major disaster occurred.
4. FEMA may provide additional assistance for economic recovery after the period of emergency aid and replacement of essential facilities and services to and declared “major disaster” area which has suffered a disruption of the economy of sufficient severity to
 - a. Require assistance in planning and development to replace expertise lost in the disaster.
 - b. Continued coordination of assistance available under Federal aid programs; and,
 - c. Continued assistance towards the restoration of an employment base.
5. Additional assistance may also be provided for disaster recover, planning, grants and loans for public works and development facilities, loan guaranteed and technical assistance. The FSM President in consultation with the Governor of a stricken State will determine the need for such additional assistance.

C. Other Assistance Available After Emergency or Major Disaster Declaration.

1. Direct Federal Assistance – is usually requested under unusual circumstances where the work required is beyond the capability of the stricken government to do or contract and is therefore requested to be performed by Federal personnel.
 - a. No financial transactions are necessary for this type of assistance. The PDC receives or prepares the certified request and submit to FEMA no later than 30 days following an emergency declaration or 90 days following a major disaster declaration.
 - b. The applicant is responsible to assist the performing Federal agencies in all support and local logistical matters in the same manner, as would a private owner in his relationship to a performing contractor. These matters include the securing of local building permits and rights of entry, control of traffic in the interest of safety and public welfare, and all other matters relating to compliance with local building or construction laws and ordinances.
 - c. The applicant must accept the design before work begins and must signify acceptance of the completed work at the time of the joint final inspection. The applicant provides, without cost to the Federal government, all land easements and rights of way necessary to accomplishment of the approved work and must agree to indemnify the Federal government against any claims arising from the work.
 - d. The Governor for the stricken area may request through the FSM PDC, any Federal equipment that may be required. He is responsible for managing and distributing any equipment received.

D. Types of Grants

All grants are made only after the applicant performs the work approved in the Project Application and supplements.

1. Categorical grant

The most commonly used when the approved amount of the PA is \$25,000 or more. It is used for debris clearance, and other emergency work, and also permanent repairs or replacements on public facilities including those facilities under construction, as well as private non-profit facilities.

2. Grant-in-Lieu

May be requested if the applicant wishes to build in a different location, or a large and more elaborate replacement. The amount of the grant-in-lieu, if approved, will be that estimated by FEMA to repair or replace the pre-disaster structure or facility. The structure can be relocated into a different area but no land costs are allowed to be reimbursed.

3. Flexible Funding

A type of grant, which equals 90% of the Federal estimate of the total cost of repairing or replacing, all damaged facilities owned by the applicant within the disaster area. If granted, the money used to repair or replace certain new facilities, which the applicant determines to be necessary to meet his need for governmental functions or services in the disaster area. The FSM PDC and the Director of the Disaster Assistance Program, Region IX, FEMA must approve projects to be completed under flexible funding.

4. Small Projects

A type of grant, which the total cost, is less than \$25,000 dollars.

E. Time Limitations for Project Completion

The time limitations are measured from the date of declaration and will terminate as indicated below:

1. Major Disaster declaration

<u>Completion Deadline</u>	<u>Request Deadline</u>	<u>Terminate Deadline</u>
a. Debris Clearance	30 days	180 days
b. Emergency Measures	30 days	180 days
c. Permanent Restoration (ASAP)	18 months	

Note: Director, Disaster Assistance Program, Region IX, may require a completion schedule for his approval.

2. Emergency Declaration

- a. Work should begin immediately after the disaster and must be completed in 30 days.

F. Categories of Eligible Work

- | | | |
|----------|----|--------------------------------------|
| Category | A. | Debris Clearance |
| | B. | Protective Measures |
| | C. | Road Systems |
| | D. | Water Control Facilities |
| | E. | Public Buildings & Related Equipment |
| | F. | Public Utilities |
| | G. | Facilities Under Construction |
| | H. | Private Non-Profit Facilities |
| | I. | Others (not in any category above) |

G. Managing Accounts for Public Assistance

1. When a disaster occurs in the FSM, the Budget Officer, FSM National Government establishes a disaster account, e.g. FXXXXXXXX, per the request of the FSM PDC. This action is reported to the stricken State by telex and the required FSM Allotment Form. IF IFGP is authorized, a separate account is set up exclusively for this program.
2. IF Federal funds are to be available, the FSM PDC working with the designated Project Manager, compiles and publishes a Chart of Accounts wherein disaster related projects are assigned numbers. All documents relating to a particular project will be identified by the number assigned to the project, e.g. FXXXXXXXX – 101, FXXXXXXXX- 102, etc. Each Category is assigned a different classification number, e.g. Category A Debris.

The FSM PDC ensures that Federal funds are advanced in accordance with FEMA regulations to meet expenses of the disaster. Request for Advance is submitted to and coordinated with the Director, DAP, FEMA, Region IX, and is made payable to the appropriate disaster account. When the request for advance is approved, the funds are wire-transferred into the established accounts and then released to the stricken State for obligation, through allotments from the FSM Budget Office.

3. **Funds Status Reports and Project Status Reports** cued to the items of the Chart of Accounts, are prepared by the affected State Government Disaster Project Manager and forwarded to the FSM PDC who reports to the Federal Grants Section.
4. When all projects are completed, inspected and audited to the total FEMA approved sum less the sum of advances, and less the sum of

then State share of the costs, the balance of which will be paid by FEMA to the FSM Budget Office for appropriate.

5. In the event that the request for assistance is denied, or that the project is not eligible for assistance, then the Governor of the affected State must decide which of his operation accounts will absorb the charges which have been made to the “disaster” account(s) and communicate his decision to the Secretary of Finance, who will then journal voucher all charges to the designated accounts of that State.

H. Record Keeping

A. General

Careful, systematic and accurate record keeping will result in full reimbursement of all FEMA approved costs on eligible projects. Without proper records however, reimbursements will not be made.

B. Damage Survey Reports

1. A DSR prepared by Federal and Local (FSM State) personnel who visit and survey each project site, is basic to record keeping. It contains the best possible estimate of the scope and cost of work to be done to rectify the damage. It identifies the specific work items for which reimbursement can be expected.

I. Audits

Site audits are to be conducted by the FSM National & State governments to ensure the proper use of approved funding. The combined teams of Federal auditor, and the FSM Internal Auditor and his staff will conduct a final audit.

Appendix J

QUICK SUMMARY – General Recommendations

A. COMMUNICATIONS

1. Work with State Communication Officer
2. Employee communications – keep them informed
3. Public communications – use radio, print, email, cable tv, etc.
4. Communicate with Key Accounts – hospital, airport, FSM Telecom, govt., etc.
5. Remember: phones and cell phones may not be available
6. Keep batteries charged and have spares for communication equipment
7. Keep Communication Checklist stocked

B. TRAINING PLAN

1. Practice drills/simulations 2 times a year
2. Review resources and inventory available for a disaster monthly

C. VEHICLES/EQUIPMENT

1. Maintain in ready condition – fill tanks at end of working day
2. Store in safe location
3. Establish support services for repairs/fuel/tires, etc.
4. Emergency lighting should be in good working condition
5. Compressed air supply ready for engine starting
6. Stand-by generators in ready condition
7. Small generator set for emergency lighting

D. PEOPLE

1. Demand Safety
2. Update succession plan 2 times a year
3. People are your most important asset – protect them
4. Keep everyone busy and involved
5. Write down where they are – power plant, office, field (where?)
6. People should not be alone
7. Recognize their families may be in need too
8. Food, sleep, medical needs must be provided
9. Encourage flexibility, encourage innovation, demand safety
10. Practice patience and thoroughness
11. Cross-train so people can know how to help

E. INVENTORY

1. Stock what's needed for critical needs
2. Identify quick response suppliers, shippers, resources
3. Pirate parts to meet critical needs
4. Acquire back-up equipment
5. Keep Disaster Supplies for Immediate Response stocked

F. FINANCES

1. Establish emergency funding
2. Determine what's required for quick authorization
3. Learn FEMA requirements for reimbursement

G. BOARD OF DIRECTORS

1. Keep informed
2. Verify quorum is available for emergency funding

H. EARLY DISASTER WARNING

1. Evaluate intensity of storm
2. Establish "Command Center"
3. Brief the employees – keep them informed
4. De-energize portions of the system that may be hit the hardest
5. Place critical documents, financial information and data in a safe and secure place
6. Move rolling equipment to a safe area
7. Back-up computer files and store in safe and secure place

I. OUTSIDE SUPPORT

1. Establish Mutual Aid agreements with neighboring utilities
2. Seek assistance from FSM, FEMA DOI, etc.
3. Use air support for critical supplies
4. Engage off-island consultants

J. SAFETY

1. Work safely at a slow and steady pace
2. Clearly communicate the work at hand
3. Never assume that anyone else is aware of a hazard – communicate
4. Never accept safety shortcuts
5. Demand Safety