

DRAFT VELCO Operating Committee MINUTES

DATE: July 16 2020, 1:00 p.m. – 3:00 p.m.

LOCATION: Virtual Meeting (ZOOM)

PARTICIPATING MEMBERS

- **Burlington Electric Department (BED):** James Gibbons, Munir Kasti
- **Green Mountain Power (GMP):** Brian Otley
- **Stowe Electric Department (SED):** David Kresock
- **Vermont Electric Cooperative (VEC):** Peter Rossi, Kris Smith
- **Vermont Electric Power Company (VELCO):** Chris Root, Frank Etori, Jason Pew
- **Vermont Public Power Supply Authority (VPPSA):** Stephen Fitzhugh
- **Washington Electric Cooperative (WEC):** Bill Powell

OTHER PARTICIPANTS

Dave Haas (VELCO), Shana Louiselle (VELCO), Kim Moulton (VELCO), Dan Nelson (VELCO), Alan Stamp – partial (AP Stamp, Inc.), Tina Stevens (VELCO), Bill Jordan – partial (VT Department of Public Service)

OPENING REMARKS

Mr. Root verified a quorum and called the meeting to order at 1:04 p.m.

A few changes to the agenda order were discussed to accommodate schedules and agreed upon without objection.

SAFETY TOPIC

Mr. Root discussed the recent heat spell and the potential for heat exhaustion. The need to stay hydrated and be aware of the fact that it can come on quickly without warning.

Mr. Root further discussed a tragedy in NH where a young adult drowned while swimming in a local swimming hole. There are many such swimming areas in rivers, lakes, and quarries around the state and this event can serve as a reminder to being cautious while swimming in these areas. Mr. Smith noted that dehydration can occur even while swimming and it is often overlooked to continue to hydrate while doing so.

Mr. Stamp provided an alternate risk of drinking too much water and that proper regulation is necessary in both instances.

CYBER SECURITY DISCUSSION

Mr. Root discussed the recent hacking of high profile Twitter accounts believed to be associated with social engineering. This highlights the need to remain vigilant and aware of related risks.

CYBER SECURITY UPDATE - BILL JORDAN

Mr. Jordan reported that since his last visit he has been working with the state attorneys to develop the legal language as requested to address the items in Docket 7307. Mr. Jordan further reported that there are distinct areas within the Docket that can be addressed by the proposed non-disclosure agreement. 1) The oral briefing to the Vermont Department of Public Service (Department) as required by paragraph two should include only verbal information and nothing written that might be found through public records. 2) The Annual Meeting with the

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Department and the Utilities as required by paragraph three that already includes the provisions for a non-disclosure agreement. 3) The “offer” to provide an oral briefing to the Public Utility Commission as required by paragraph five that already includes a statement that restricts “the transmission of confidential information without appropriate confidentiality protections”. Mr. Jordan further suggested that the utilities provide the NDA language to ensure that they cover the needs of the utilities.

There was an additional request from a VT utility that an exemption from any public record discovery for utilities with regard to cyber-security be provided. Any such exemption would require a sponsor in the legislature and would need to be coordinated further.

Mr. Root suggested the development of a single NDA that would cover all areas of possible concern and would be beneficial for everyone. He then proposed that VELCO could provide the initial draft NDA and circulate it to the other utilities for further development. The group agreed that would be appropriate.

Mr. Jordan suggested that the NDA be completed prior to the required annual meeting within the docket that has yet to be scheduled. Mr. Rossi asked for clarification on the need for an NDA and its applicability to public records discovery. Mr. Jordan reported that any NDA would be approved by the Public Utility Commission and that a review with appropriate legal staff would be necessary to provide an adequate answer.

DRAFT MINUTES APPROVAL

Mr. Root presented the meeting minutes from June 18, 2020 for approval.

Mr. Fitzhugh moved for approval.

Mr. Smith offered a minor edit for consistency.

Mr. Rossi seconded the move for approval with suggested edits.

Mr. Root asked for objections, hearing none, the Minutes were approved as amended.

TELECOM SUBCOMMITTEE UPDATE

Mr. Stamp reported that the telecom subcommittee has been reestablished. This subcommittee was originally formed to assist with the initial fiber build out which resulted in VELCO’s current telecom network. Mr. Stamp reported that he has been contracted to manage the fiber reliability project. The subcommittee has met 3 times with the initial goal to determine where existing fiber exists, where it is needed, and how to best design a network that meets the needs of current and future reliability standards.

The first step for the group is to determine the project basis and begin to gather the data. One of the many results the first subcommittee provided two documents that assisted with the original buildout; an Attachment Agreement widely used on the distribution circuits and a Substation Participation Agreement that ensured areas of responsibilities were identified. These documents will need a review and possible revision to ensure they are up to date.

Mr. Stamp discussed the need for governance documents and requested that others provide feedback. These governance documents are necessary and he would like to have them in place

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by the October VELCO Board of Directors meeting.

3340 LINE TREE CONTACT

Ms. Moulton provided a review of a tree contact currently being conducted. On June 6, 2020 the VELCO Vernon-Vermont Yankee 3340 line operated. The fault was determined to be the result of tree contact. VELCO has established a team to conduct a Root Cause Analysis to discover how the event occurred and what can be done to prevent similar events in the future.

The contact has been verbally reported to the NPCC and a written submittal is under development. The written report is due tomorrow and as more information is known about the result of NPCC's review it will be shared with the group.

NERC COMPLIANCE UPDATE

Ms. Moulton reported on the future areas that NERC has identified as risks that include the following.

- Management of Access and Access Controls (insider access)
- Insufficient long-term and operational planning due to inadequate models
- Inability to ride through events
- Inadequate Real-Time Analysis during tool and data outages
- Improper determination of Misoperations
- Spare equipment with extended lead time

These identified risks have the potential to result in new or revised Standards with additional compliance obligations.

Ms. Moulton further reported that VELCO has engaged a contracted resource to analyze current data to identify potential gaps with anticipated future Requirements.

Mr. Rossi, Mr. Smith, and Mr. Gibbons each engaged in conversation with regard to potential future Requirements and how the solutions would be funded. The cost-benefit for VELCO is understood and can be determined; however, that same correlation cannot be assumed for the Distribution Utilities.

VELCO CORPORATE AND STRATEGIC KEY PERFORMANCE INDICATORS (KPI)

Mr. Root reviewed a presentation on the current state of the VELCO KPIs. The review provided VELCO's status that included 3 Distinguished, 3 Target, 5 Threshold, and 1 Below Threshold indicators as ranked by VELCO's KPI program.

During the discussions, the following items were notable.

- System Average Interruption Duration Index (SAIDI), as currently defined, include events/issues external to VELCO assets that resulted in sustained outages of the jointly owned facilities.
- Radio and telecom performance has been excellent.
- OSHA Lost Time Incident Rate is calculated over a two-year period and thus the current Threshold designation is associated with an event from 2019.
- Compliance is currently at Target, with the recent submission of the 3340 line vegetation contact, the effect on this KPI is unknown.

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VERMONT JOINT UTILITY AND STATE AGENCIES EMERGENCY PREPAREDNESS

Mr. Pew provided an overview of the proposed “Emergency Prep” annual meeting. This meeting traditionally occurs in the fall and takes place at the VT Emergency Operations Center in Waterbury. This year, due to the Pandemic, the plan is to have a focused agenda that will allow for a virtual meeting and be no longer than 4 hours.

Mr. Pew requested that members consider specific topics for discussions and provide those to participants who participate in the Emergency Prep program. Agenda planning for the 2020 Annual Meeting will begin shortly.

OTHER BUSINESS

Open discussion

- None

Next meeting

Date: August 20, 2020, 1:00 p.m. – 3:00 p.m.

Location: Virtual Meeting (ZOOM)

Possible topics for discussion

- Current status of the Department/Utility NDA as requested by Mr. Jordan
- Current status of the New Haven Operations Facility
- Continuation of the standing Fiber Reliability Project Update topic
- Report on any relevant change in status of the 3340 line contact NPCC submittal
- Report out on the COVID-19 tabletop exercise planned for July 23 and discussion on current plans and relevant input from the other utilities

MOTION TO ADJOURN

Mr. Rossi moved to adjourn, Mr. Gibbons seconded and the meeting was adjourned at 2:48 pm.

Respectfully submitted,

Jason Pew
VELCO OC Secretary