

Updates on Interactions with the Agency of Natural Resources

Regarding Structure Condition
Improvement Project (SCI),
Threatened and Endangered
Species, and
Pentachlorophenol BMP's



June 2018

Presentation Agenda



SCI



Threatened
and
Endangered
Species

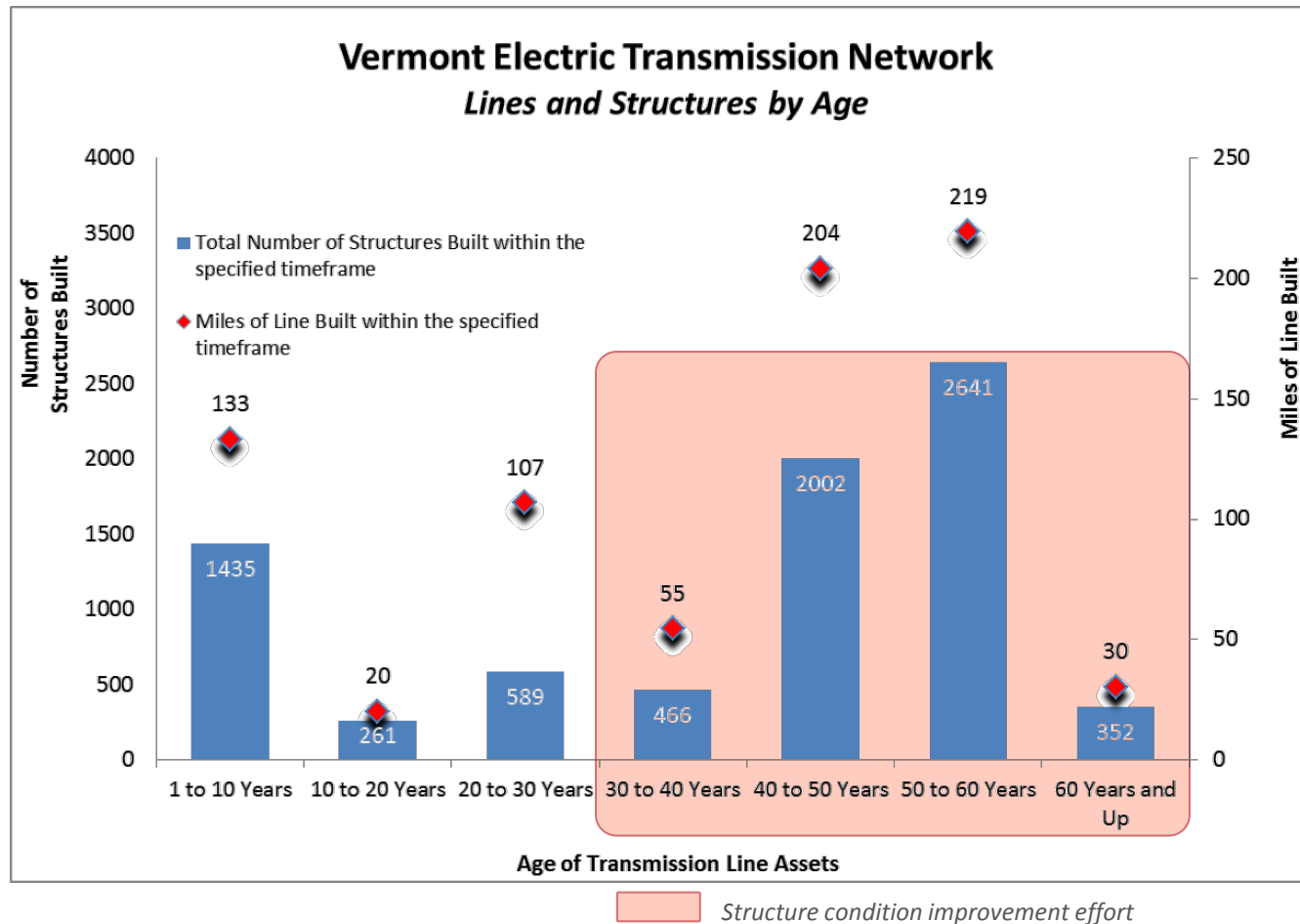


Pentachlorophenol

Structure Condition Improvement Program (SCI) Overview

Strategy and Objectives

- Maintain the reliability of the transmission system and address the aging transmission line infrastructure



Structure Condition Improvement Program (SCI) Overview

Assessment Key Findings – Pole decay at or above ground line level



Structure Condition Improvement Program (SCI) Overview

Assessment Key Findings – Pole Decay at or above ground line level



General Timeline

- 2010 -2011 - Conducted structure inspections and identified need for SCI Program
- 2012 - Initiated resource assessments, outreach to agencies, and structure replacements
- 2012-2016 - Replaced approximately 300 structures per year
- 2017 Replaced approximately 160 structures due to concurrent CRVP Project
- 2017 - Started planning for 2018 work and reached out to FPR for off-ROW access to VELCO's K-22 Line through Niquette Bay State Park
- October 2017 - Received call from ANR questioning why VELCO does not need a CPG for this work
- November 2017 - Met with ANR and discussed SCI and our approach to CPG and general environmental compliance. At this meeting ANR indicates that they are generally satisfied with VELCO's approach, however they requests a second meeting and presentation specifically outlining VELCO's BMP's, resource identification and compliance structure

SCI BMP's Documents

- VELCO Environmental Guidance Manual
- USACE/VT Wetlands Program BMP's (VT wetlands allowed uses, USACE VT GP, USACE Construction Matting BMP document)
- VELCO/GMP Threatened and Endangered Species avoidance BMP's
- VELCO Cultural Resources BMP's
- Stormwater (low risk site handbook, EPSC field guide, standards and specifications for erosion prevention and sediment control)
- Pentachlorophenol-treated utility pole BMP's



SCI Update

- On May 30th, 2018 VELCO staff met with ANR
- Meeting was focused on VELCO's procedures for identifying resources and compliance with state and federal regulations
- ANR did not express any concerns with VELCO's current approach and was satisfied with our level of review and oversight
- ANR generally agreed that the work associated with SCI program did not require 248 review
- However, they did reserve the right to change their position for certain activities, such as new off-ROW access roads or other activities that may be beyond what they would consider “replacement of existing facilities with equivalent facilities in the usual course of business”
- At this point, it is our understanding that no further follow up is required with ANR, unless we want to discuss certain activities that require permitting or items that may fall outside of the definition of replacement of existing facilities
- **Just and FYI** - We still have not received their approval to complete our work with Niquette Bay State Park, which initiated this discussion with ANR

Questions on SCI?



Threatened and Endangered Species Issues Impacting VT Utilities



Threatened and Endangered Species Issue

Background:

- In the early 2000's, VELCO initiated T&E surveys on certain portions of our transmission line corridors, primarily associated with proposed new line construction projects, which led to the discovery of several T&E plant populations
- The Agency of Natural Resources (ANR) then requested special work practices through individual permitting processes for several of VELCO's projects
- Permit conditions created a compliance risk, due to inconsistencies
- At that time, the special practices to reduce the risk of inadvertent takings were limited to a relatively small percentage of VELCO's transmission system (those areas subject to upgrades and permits)
- In 2009, ANR, CVPS and VELCO executed an agreement to develop BMPs that would allow for the performance of utility maintenance work, while promoting the habitat and overall betterment of T&E populations. ANR took the lead role in the development of the BMP's
- Through VELCO's role, other VT electric utilities were encouraged to participate in the effort
- Under ANR's lead the development of the BMPs languished and other utilities became disengaged
- As no progress was being made with the development of the BMP's. VELCO offered to take the lead on the development of the BMP document in consultation with ANR. As such, around the 2010 timeframe, VELCO retained a consultant (paid by VT electric customers) to develop the BMPs
- A final draft of the BMP document was finalized after meeting with and addressing several comments from ANR in October 2013

T&E Issues Continued

Background Continued:

- VELCO implemented the BMP's system wide and performed the necessary T&E surveys on VELCO's approximately 735 miles of corridor. GMP did the same on the former CVPS system, subject to the MOU
- To the best of our knowledge, other utilities in the initial working group did not implement BMP's, as originally envisioned
- ANR sought the inclusion of rare plants into BMP document and asked for an additional MOU
- VELCO believed that additional BMP efforts must be performed as part of wider group of utilities, with uniform adoption statewide. Thus, the MOU was not executed and remains an open item
- In 2015, 10 VSA Chapter 123 was amended to require the creation of a "general permit" for utilities, which was required to be implemented on or before September 1, 2017
 - This condition was meant to have several benefits:
 1. By establishing this GP ANR would support vegetation management practices that promote the creation and maintenance of early successional habitat, which encourages establishment and expansion of these species without "tying the hands of the utilities"
 2. This would promote the creation of habitat, thus enhancing the overall size and vigor of the total population over the potential taking of one or two plants
 3. Provided motivator for utilities to survey for T&E populations and employ BMP's
 4. Reduced the risk of non-compliance due to incidental takings
 5. Promoted the implementation of integrated vegetation management practices within utility corridors and the creation and enhancement of T&E habitat

T&E Issues Continued

Current Status:

- ANR has not met their statutory obligation or their agreement with utilities, as they have failed to develop a “general permit” for utilities despite several reminders
- VELCO is performing vegetation management work within in T&E populations in accordance with the BMPs
- VELCO had two separate incidents one in 2016 and one in 2017 which led to the inadvertent and incidental taking of Greene’s Rush Plants
- VELCO immediately self reported both incidents to ANR
- Both incidents were investigated by VELCO and corrective actions initiated
- Findings of the investigations were shared with ANR and local and national utilities as part of lessons learned effort, and to promote the development of BMP’s
- No comments were received by ANR on either investigation report
- On May 1, 2018 VELCO was informed by ANR that they would be seeking a violation and fine associate with the incident in 2017
- VELCO’s attorney has met with two different ANR attorney’s. ANR has put a stay on issuing the violation/fine until a site visit and can be performed and an accurate count of the existing population can be obtained – this cannot be performed until mid to late July

T&E Questions?



Wooden Utility Structures Treated with Pentachlorophenol



Pentachlorophenol BMP's

Background:

- Pentachlorophenol (Penta) has been used as a wood preservative since the 1930's
- EPA has designated Penta as a restricted use pesticide and can only be used as a heavy duty wood preservative
- The use of Penta is primarily restricted utility poles and associated wood support structures (cross arms, x-braces, etc.)
- VT utilities have been utilizing penta treated poles since at least the 1950's
- In 2009, two shallow water supplies were contaminated by two new utility poles that were excessively releasing Penta, which migrated to the shallow water supplies
- In 2014, another shallow water supply was impacted from contaminated soil that was excavated from around an existing 1950's vintage structure
- In 2014, the PUC (then the PSB) opened an investigative docket into the use of Penta treated poles by VT utilities
- In late 2014, a working group was formed to investigate the use of Penta treated poles in VT. The group consisted of VT regulatory agencies, VT utilities, environmental advocacy groups, and the designated members of the public

Penta BMP's

Background continued:

- The group met 8 times over 8 months and developed a report that outlined the findings of the group and offered recommended BMP's for VT utilities to the follow
- In early 2016, the report was submitted to the PUC, who reviewed the report and put it out for public comment and subsequently accepted the report and required all VT utilities to follow the BMP's
- VT utilities then implemented the BMP's and trained their necessary staff appropriately

Penta BMP's - continued

Current status:

- No issues reported until late 2017, when GMP installed a new service line to a customer in Benson
- Landowner had an existing bedrock well, that was located 50+ feet away from the new pole
- The new pole was installed in a shale type ledge
- After a significant rain event, the customer reported an odor in their water to GMP
- GMP immediately contacted DEC's Sites Management Section and notified them of the situation
- GMP performed two rounds of water sampling from the well. One shortly after the odor was reported and a second one after the next significant rain event, both results came back "Non-detect" for Penta
- GMP replaced the penta pole with a copper naphthenate pole, removed soil from around the structure, and installed a water filtration unit in the home and ultimately drilled the customer a new well out of an abundance of caution
- DEC's Sites Management Section has not expressed any significant concerns over the issue and has thanked GMP for keeping them informed of the situation. They have not expressed any concerns with the existing BMP's or suggested that they be reopened due to this incident
- GMP has since revised their training to reflect that all penta poles should be located at least 50 feet away from ALL water supplies. VELCO will also likely be making the same change to our existing training templates

Questions, comments, concerns?

