

# Draft Outline for VELCO Policy Governing Construction and Use of Telecommunication facilities

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## Purpose:

The purpose of this policy is to establish consistent deployment of VELCO Telecommunication facilities, access to Network capacity, and management of these facilities.

## Background:

VELCO has installed approximately x miles of fiber on Transmission and Sub-transmission facilities throughout Vermont. This fiber installation was installed on VT Transco owned facilities and DU owned facilities. A Network Access Agreement was established which governs the installation of VELCO facilities on DU assets. This agreement does not include assets previously existing on DU facilities. The guidelines of this agreement are summarized as follows for assets owned by VELCO:

1. VELCO owns and maintains fiber installed by VELCO to sub-transmission stations 34.5kV and higher
2. VELCO owns and operates Backbone Transport communication systems located in VELCO facilities.
3. Edge Transport communication equipment located in DU sub-transmission facilities will be owned by VELCO, maintained by the DU, and the benefitting DU will pay a recurring fee outlined in the agreement which is approximately 4% annually of the total equipment cost at the station.
  - a. Edge Transport communication systems communicate large bandwidths of data and exclude devices that communicate to end user Application equipment such as RTU's, breakers, telephones, data routers, cameras, etc. VELCO does NOT own or operate specific Application communication equipment. i.e. RTU's, circuit switch controllers, station data switches or routers.

## Proposed Policy - Draft

VELCO continues to install, and maintain telecommunication facilities throughout Vermont. These facilities include fiber optic cable, fiber electronics, microwave, and land mobile radio (SRS).

1. Fiber cable and associated Electronics
  - a. New Fiber and Electronics deployments will be considered by VELCO OC for 34.5kV and higher sub-transmission stations serving more than 1 customer.

- i. Requests for construction must be processed through regular VELCO budgeting processes and approvals
  - 1. VELCO to purchase edge transport communication equipment, DU will maintain, benefitting DU will pay recurring fee as agreed
- b. New and Additional uses of Existing fiber or electronic infrastructure
  - i. Requests for utility capacity to be made to VELCO Telecommunications
    - 1. Determination of effective means to achieve objective (capacity or dark fiber) considering:
      - a. Use
      - b. Connectivity requirement
      - c. Effect on power system
      - d. Overall network architecture
    - 2. Allocation of capacity determined to be either:
      - a. bandwidth capacity within core or edge network or,
      - b. dark fiber within tube allocated for local use and the benefitting utility would pay access costs, however no recurring costs.
- c. Equipment maintenance, lifecycle, and retirement
  - i. Core and Backbone transport
    - 1. VELCO will own, operate, and maintain core and backbone transport network
    - 2. Lifecycle replacements and upgrades will be evaluated based on equipment age, functional needs, and operational costs.
  - ii. Edge communication equipment located in DU sub-transmission stations
    - 1. Benefitting DU will operate and maintain, including repair or replacement of failed components.
    - 2. Lifecycle replacements and upgrades will be evaluated based on equipment age, functional needs, supportability, and operational costs.

3. Requests for retirements of equipment before being fully depreciated which is owned by VELCO and located in DU sub-transmission facilities, but not otherwise repurposed for communication needs for power system benefit, will be “written off” during that year. The Benefitting Utility pays the costs associated with early equipment retirement.
2. Statewide Radio System (SRS) access, operation and coverage
  - a. VELCO to operate and maintain the Statewide Radio System (SRS).
  - b. DU’s are eligible to access the network and will own and maintain the DU’s respective access equipment.
  - c. Requests for additional tower locations and area coverage for or by a specific utility are to be reviewed by the Operating Committees and processed through VELCO’s regular process.
    - i. VELCO operates and maintains the Additional tower locations developed by request for a specific utility. The requesting/benefitting utility pays the recurring fee as agreed (~4% annual of total site cost)