

The VELCO logo is displayed in a bold, white, sans-serif font. It is positioned in the upper left corner of the slide, set against a background image of a Vermont landscape with rolling hills and power lines.

VERMONT'S TRANSMISSION RELIABILITY RESOURCE

Pentachlorophenol Investigation Update

Operating Committee

July 2014

Background

- Several incidents of unexpected pentachlorophenol (PCP) “releases” in 2009 and 2010
 - Associated with improperly treated poles
- Detection of PCP in a shallow spring in Monkton in spring 2014 as part of VELCO’s structure replacement work
 - Suspected source: existing poles installed in 1954
 - Considered as a regulated “spill” by ANR
 - Utilized by VT GAS opposition groups to stop Project located within/near VELCO’s ROW
 - Multiple PSB filings over issue as part of VT GAS docket
- Unclear regulation/agency requirements (ANR/DEC, Agency of Ag, Dept. of Health, PSB, etc.)

Next Steps

- ANR/DEC, Agency of Ag, and Dept. of Health have filed request to PSB to open an investigation into the use of PCP, under an individual docket – *it is very likely that an investigation will be opened this year*
 - VELCO proposed the development of Best Management Practices (BMP) by utility/agency working group
 - Approach is supported by ANR, however; agency leadership is seeking an investigation to determine the extent of the issue and suitability of BMPs
- Next Steps
 - Provide information to ANR - published studies, etc.
 - VELCO to complete sampling in Monkton to “close” spill
 - Establish utility “task force” to develop strategy on participation, alternatives, PSB responses, etc.
 - Inform and collaborate with ANR/DEC, Agency of Ag and Dept. of Health