



STATE OF CONNECTICUT

CONNECTICUT SITING COUNCIL

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CERTIFIED MAIL RETURN RECEIPT REQUESTED

June 16, 2015

John R. Morissette
Project Manager –Transmission Siting
Eversource Energy
P.O. Box 270
Hartford, CT 06141-0270

Mr. James M. Yeske
Project Manager Transmission
The United Illuminating Company
180 Marsh Hill Road
Orange, CT 06477-3629

Bruce L. McDermott
Managing Counsel – Operations
UIL Holdings Corporation
157 Church Street
New Haven, CT 06506-0901

RE: **PETITION NO. 1157 – Eversource Energy and The United Illuminating Company joint petition for a declaratory ruling that no Certificate of Environmental Compatibility and Public Need is required for all transmission substation remediation activities to comply with the North American Electric Reliability Corporation (NERC) Reliability Standards for Critical Infrastructure Protection.**

Dear Mr. Morissette, Mr. Yeske, and Attorney McDermott:

At a public meeting held on June 11, 2015, the Connecticut Siting Council (Council) considered and ruled that this proposal would not have a substantial adverse environmental effect, and pursuant to General Statutes § 16-50k would not require a Certificate of Environmental Compatibility and Public Need with the following conditions:

1. Eversource Energy/The United Illuminating Company shall file with the Council a sub-petition for each site-specific substation remediation activity pursuant to NERC Physical Security Reliability Standard CIP-014-1 for Council staff review that includes the following information:
 - a. The exact location of the remediation activity;
 - b. Description of the remediation activity, including, but not limited to site drawings and plans depicting current field conditions, corrected field conditions and access routes to areas of remediation activities;
 - c. An impact statement relating to the potential environmental effects of construction as follows, where applicable:
 - i. Wetlands and watercourses
 - ii. Flood zones
 - iii. Connecticut Department of Energy and Environmental Protection Natural Diversity Database areas
 - iv. Clearing of trees and/or vegetation
 - d. A mitigation plan for any identified environmental impact, including, but not limited to best management practices, erosion and sediment controls, re-vegetation and site stabilization.




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2. Eversource Energy/The United Illuminating Company shall file each sub-petition in its entirety under protective order specific to this petition for a declaratory ruling and approved by the Council for Critical Energy Infrastructure Information (CEII);
3. Eversource Energy/The United Illuminating Company shall include a statement that substation remediation activities responsive to NERC's Physical Security Reliability Standard CIP-014-1 is confidential in the cover letter of each sub-petition to the Council and provide a copy of the cover letter without the CEII to the municipality where the subject substation is located indicating that comments or concerns should be submitted to the Council within 30 days of the date that the sub-petition is sent to the town(s). Proof of such notice shall be provided to the Council at the time the site-specific sub-petition is filed with the Council.

This decision is under the exclusive jurisdiction of the Council and is not applicable to any other modification or construction. All work is to be implemented as specified in the petition, dated April 30, 2015.

Enclosed for your information is a copy of the staff report on this matter.

Very truly yours,



Robert Stein
Chairman

RS/FOC

Enclosure: Staff Report dated June 11, 2015

Petition No. 1157
Eversource Energy and The United Illuminating Company
Statewide Compliance with North American Electric Reliability Corporation-
Reliability Standards for Physical Security Measures
Staff Report
June 11, 2015

Introduction

On April 30, 2015, The Connecticut Light and Power Company d/b/a Eversource Energy and The United Illuminating Company (collectively, The Companies) submitted a petition to the Connecticut Siting Council (Council) requesting a declaratory ruling that no Certificate of Environmental Compatibility and Public Need is required for all transmission substation remediation activities to comply with the North American Electric Reliability Corporation (NERC) Reliability Standards for Physical Security Measures.

Background

On March 7, 2014, the Federal Energy Regulatory Commission (FERC) issued an Order relative to "Reliability Standards for Physical Security Measures" that required NERC to submit for approval standards that require owners and operators of critical facilities to address physical security risks and vulnerabilities related to the reliable operation of the Bulk Power System (BPS). FERC directed that the Reliability Standards require owners or operators of the BPS to take three steps to address the risks that physical security attacks pose to the reliable operation of the BPS as follows:

1. owners or operators of the BPS should perform a risk assessment to identify facilities that are critical to the reliable operation of the BPS;
2. owners or operators of those critical facilities should evaluate the potential threats and vulnerabilities to those identified facilities; and
3. owners or operators should develop, validate and implement security plans to protect against physical attacks that may compromise the operability or recovery of such facilities.

In the March 7, 2014 Order, FERC specified that compliance with the standards could contain sensitive or confidential information that, if released to the public, could jeopardize the reliable operation of the BPS and that **guarding sensitive or confidential information is essential to protecting the public by discouraging attacks on critical infrastructure.**

On November 20, 2014, FERC approved the NERC proposed Reliability Standard CIP-014-1, Physical Security. The purpose of the standard is "to identify and protect Transmission stations and Transmission substations, and their associated primary control centers that if rendered inoperable or damaged as a result of a physical attack could result in widespread instability, uncontrolled separation, or cascading within an interconnection." In the standard, NERC is identified as the "Compliance Enforcement Authority" with the role of monitoring and enforcing compliance with NERC Reliability Standards.

CIP-014-1 incorporates NERC's three step process to address physical security risks as follows:

1. transmission owners shall conduct an initial risk assessment and subsequent risk assessments thereafter at least once every 30 calendar months that are to be verified by an unaffiliated third party;

2. transmission owners shall conduct an evaluation of the potential threats and vulnerabilities of a physical attack by considering unique characteristics of the substation, taking into account prior physical security related events and evaluating any intelligence or threat warnings from sources such as law enforcement, the Electric Reliability Organization, etc.; and
3. transmission owners shall develop and implement a documented physical security plan that includes resiliency or security measures designed collectively to deter, detect, delay, assess, communication and respond to potential physical threats and vulnerabilities, contact and coordination information with law enforcement, a timeline for executing physical security enhancements and modifications specified in the physical security plan and provisions to evaluate evolving physical threats and their corresponding security measures.

Consistent with FERC Critical Energy Infrastructure Information¹ (CEII) rules under the Code of Federal Regulations and to protect the confidentiality and sensitive nature of the evidence for demonstrating compliance with CIP-014-1, NERC requires all evidence to be retained at the transmission owner's facilities and requires all entities to have procedures to protect the confidentiality of sensitive or confidential information. The Council has procedures for submitting CEII under a protective order. The Companies plan to submit all subpetitions for Petition No. 1157 under a protective order.

Improvements

The Companies plan to identify and propose necessary improvements to protect the physical security of certain substations. Such improvements include, but are not limited to, intruder alert systems, ballistic protection of equipment and control houses, vehicle barriers, and replacement of perimeter fencing to increase height of fencing and obscure direct line of sight into substation.

All work is to occur on the Companies' owned or easement property. Environmental effects would be limited and temporary. The environmental effects would be mitigated in accordance with the 2002 Connecticut Guidelines for Soil Erosion and Sediment Control, by limiting vegetation removal to the extent practicable, implementation of construction best management practices and rehabilitation of disturbed areas outside substation fence line where fence lines are altered. No increases in noise from any upgrades or to electric/magnetic field levels are anticipated. The Companies contend proposed improvements would have no substantial adverse environmental effect.

Process

The Companies propose to submit notice to the Council on a site-specific basis via a sub-petition process. Much of the information to be provided will be CEII and the Companies request protection of this information. Also, in light of this initiative and sensitive information, the Companies request the Council to not require notice to the Town or abutting property owners. Council staff recommends the Companies include a statement that substation remediation activities responsive to NERC's Physical Security Reliability Standard CIP-014-1 is confidential in the cover letter of the subpetition to the Council and provide a copy of the cover letter without the CEII to the municipality where the subject substation is located. Similar to Petition Nos. 1000 and 1073, regarding transmission remediation activities pursuant to NERC facility ratings, Council staff will draft a synopsis of the subpetitions and provide this to the Council. This synopsis will be treated as protected CEII and will be so noted in the cover memo to the Council. If no comments are received, Council staff shall render a decision.

¹ Accessing Critical Energy Infrastructure Information 18 CFR 388.113 (2007)