

COMMONWEALTH OF VIRGINIA

William F. Stephens
Director
(804) 371-9611
FAX (804) 371-9350

PO Box 1197
Richmond, Virginia 23218-1197



STATE CORPORATION COMMISSION
DIVISION OF ENERGY REGULATION

December 15, 2011

Mr. Vincent Burruano
President and Director
Fairfax Station Homeowners Association
P.O. Box 162
Fairfax Station, VA 22039

Dear Mr. Burruano:

Thank you for your letter dated October 10, 2011, regarding a resolution of ongoing electric service reliability issues identified by the Fairfax Station Homeowners Association ("the Association"). As you are aware, members of the staff of the Division of Energy Regulation ("the Staff") met with Northern Virginia Electric Cooperative ("NOVEC" or "the Cooperative") on December 6, 2011 to gain a comprehensive understanding of the electric service reliability issues and the Cooperative's plans to address the Association's concerns. A representative of Delegate Hugo's office, Ms. Vickie Hull, was also present.

Let me first address the Commission Staff's approach to investigating reliability related concerns. In response to all such complaints, the Commission Staff obtains an outage history from the utility. The history typically includes the following information: (i) the date of each outage; (ii) the time each outage began; (iii) the duration of each outage; (iv) the cause of the outage; (v) the protective device that operated on the utility's system; and (vi) whether the outage occurred during a storm.

Upon receipt of the outage history, we analyze the frequency of the outages paying close attention to the cause and electrical location of each outage. In addition, we discuss with the utility its plan of action and make a determination as to whether we believe the plan is adequate. Typically, this informal process is effective. I should note that there have been times that we determined the company's plan of action was reasonable, but later learned that the reliability had not improved. In such instances, we obtain an updated outage history and again work with the utility engineers to determine what additional actions are necessary.

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During our December 6, 2011 meeting, NOVEC presented its assessment of the electric service reliability it has historically provided to the Clifton area of its service territory, which includes the Fairfax Station subdivision, and its plan of action for improving such service. With respect to its assessment of the electric reliability history, NOVEC has recognized that the service level provided to the Clifton area has not been up to the NOVEC standard. The primary cause of outages has been tree and limb contacts with its distribution lines. As such, NOVEC is implementing a plan of action to improve service reliability. The bullet points below detail the components of the plan that will directly impact the Fairfax Station subdivision.

- Extensive right-of-way clearing is in progress, and is largely complete. This work included the removal of approximately 500 large trees that were located inside, adjacent to, and in many cases beyond NOVEC's rights of way, as well as the trimming of limbs and brush within the rights-of way.
- Overhead distribution circuits in areas prone to service disruptions caused by tree and tree limb contacts have been re-built to make them more robust and resistant to such contacts, which should result in fewer service interruptions. This work included a complete rebuild of the primary distribution circuit (Moore Substation circuit #252) now serving the subdivision. As part of that rebuild, the Cooperative: (i) replaced each existing pole with a taller and stronger pole, (ii) installed additional poles and (iii) replaced the existing bare wire conductor with insulated spacer cable, which is designed to provide additional circuit protection from falling trees, tree limbs, wildlife, and other potential causes of outages.
- Finally, as you are aware, NOVEC has had the capability to provide service to the subdivision from either the primary distribution circuit (Moore #252) or a secondary distribution circuit from a separate substation (Popes Head Substation circuit #463). NOVEC has now reconfigured a third circuit (Moore Substation circuit #254) into the area to provide additional backup to the existing delivery circuits. Per your request in your letter dated December 7, 2011, enclosed is a copy of the 2011 outage history for circuit 254. The Cooperative also added the capability to remotely switch the service to the subdivision from the primary circuit to the backup circuit in the event the primary circuit fails. In short, the Cooperative has the capability to serve the subdivision from three separate circuits.

As part of the December 6, 2011 meeting, Cooperative personnel conducted a tour of the area allowing members of the Staff and Ms. Hull to view the ongoing construction and right-of-way activity and to make additional inquiries. Based on our assessment of the electric service reliability history and the Cooperative's plan of action for improving such

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service reliability, the Staff believes that the Cooperative's plan and the work underway are appropriate.

It is my understanding that Ms. Hull and Staff members met with you and other members of the Association to discuss NOVEC's proposed course of action and at this time, all parties are in agreement that the Cooperative's plans and course of action represent a reasonable approach to resolving the Association's service reliability concerns. The Division of Energy Regulation intends to continue monitoring the Cooperative's progress and the level of service reliability in the area. Should you have additional questions or concerns please do not hesitate to contact me or my staff.

Sincerely,

A handwritten signature in black ink, appearing to read 'W. Stephens', with a stylized flourish at the end.

William F. Stephens

cc: Delegate Timothy D. Hugo
Mr. Stan C. Feuerberg
David Roberts
Timothy Faherty

SCADA history for circuit 254, Jan 1 through Dec 12, 2011.

There were only two events. One was the snow storm of January 26, 2011.

The other, a blink, was very recent when a lightning arrestor failed at a tie switch.

| Date Off | Time Off | Date On | Time On | Substation | Feeder No. | Device | Cause | Equipment/Material | Cust. Affecte |
|------------|----------|------------|----------|------------|------------|--------|-------------------|----------------------|---------------|
| 01/26/2011 | 19:00:10 | 01/27/2011 | 11:30:49 | Moore-B1 | 25-4 | VSA | Tree | Conductor/Cable/Wire | 129 |
| 12/07/2011 | 00:41:33 | 12/07/2011 | 00:41:36 | Moore-B1 | 25-4 | VSA | Equipment Failure | Lightning Arrestor | 435 |

| Outage ID | Time Of Outage | Time Restored | Duration | Cause | Equipment Failure |
|-----------------|-----------------|-----------------|--------------------|-------------------|----------------------|
| 2011-12-07-0148 | 12/7/2011 0:41 | 12/7/2011 0:41 | 0 day 0 hr 0 min | Equipment Failure | Lightning Arrestor |
| 2011-01-26-1486 | 1/26/2011 19:00 | 1/27/2011 11:30 | 0 day 16 hr 30 min | Tree | Conductor/Cable/Wire |