

## HOUSE COMMITTEE ON COMMERCE

January 29, 1999 Hearing Room 350

1:00 p.m. Tapes 15 - 16

**MEMBERS PRESENT:** Rep. Jim Hill, Chair

Rep. Ryan Deckert, Vice-Chair

Rep. Al King

Rep. Diane Rosenbaum

Rep. Mark Simmons

**MEMBER EXCUSED:** Rep. Jerry Krummel

Rep. Bob Montgomery

Rep. Anitra Rasmussen

Rep. Bill Witt

**STAFF PRESENT:** Jason Cody, Administrator

Annetta Mullins, Administrative Support

**MEASURE/ISSUES HEARD:**

Year 2000 Issues

Public Utility Commission

Association of Oregon Counties

League of Oregon Cities

These minutes are in compliance with Senate and House Rules. Only text enclosed in quotation marks reports a speaker's exact words. For complete contents, please refer to the tapes.

TAPE/#	Speaker	Comments
TAPE 15, A		

006	Chair Hill	Calls meeting to order at 1:01 p.m. and opens the informational hearing on year 2000 (Y2K) issues.
<b><u>YEAR 2000 ISSUES</u></b>		
<b><u>PUBLIC UTILITY COMMISSION (PUC)</u></b>		
013	Al Jasso	Y2K Program Coordinator, Public Utility Commission (PUC). Introduces Ray Nunez, Y2K Team Leader, and Woody Burko, Telephone Engineer. Submits and reads a prepared statement ( <b>EXHIBIT A</b> ).
067	Jasso	Continues reading statement ( <b>EXHIBIT A, page 3</b> ).
099	Jasso	Continues reading statement ( <b>EXHIBIT A, page 4</b> ).
124	Rep. Rosenbaum	Asks what kind of information PUC is using to evaluate the accuracy of information from the public utilities.
129	Jasso	Responds that PUC conducts surveys in-house. PUC chooses the questions and the public utilities provide the answers. Also the public utilities have a huge profit incentive. Adds that responses are consistent with national reports and PUC has no reason to anticipate anything is wrong.
138	Ray Nunez	Y2K Team Leader, PUC. Comments he has visited utilities and seen the people going through the code very carefully. Adds that he would, however, like to go through the systems with an inspector.
157	Rep. King	Comments on the size and financial assets of public utilities and their ability to solve the Y2K issues.
168	Jasso	Agrees that utilities have many people working on the issues and have varying degrees of susceptibility. Comments that reports show that distribution systems are not highly Y2K sensitive but many of the business functions of the utilities are sensitive. Adds that PUC's emphasis has been primarily on service continuation.
180	Jasso	Comments that PUC does not want to go out and poke into private utility programs; PUC has been advised not to.
185	Jasso	Comments on the differences between small companies that may use a spreadsheet and large companies that interface with outside operations. Adds the utilities are working with the customer classes informing them what the utilities are doing to be Y2K compliant.
207	Chair Hill	Asks if PUC believes he will be able to watch television, be warm in his house

		from his gas heat and be able to drink water at the stroke of midnight on December 31, 1999.
212	Jasso	Comments PUC anticipates Rep. Hill will have all utility services, but everyday occurrences preclude assurances.
230	Chair Hill	Asks if there is a deadline for utilities to complete their contingency business plans.
233	Jasso	Responds that the utilities replied in the second survey that they were preparing the business plans. Adds that all utilities have emergency service restoration plans in effect and they would follow the same kinds of procedures in the event of a Y2K problem.
<b><u>ASSOCIATION OF OREGON COUNTIES</u></b>		
294	Bill Penhollow	Association of Oregon Counties (AOC). Introduces Murray Geisbeck, Data Processing Manager for Polk County, and President, Oregon County Data Processing Managers Association. Explains Cindy Weeldreyer, is chair of AOC's Communication, Public Outreach and Education Steering Committee.
338	Penhollow	Submits and reads letter from Weeldreyer ( <b>EXHIBIT B</b> ).
379	Penhollow	Continues reading letter from Weeldreyer ( <b>EXHIBIT B, page 2</b> ).
<b>TAPE 16, A</b>		
016	Chair Hill	Asks if the counties are on track making sure their systems will work.
021	Penhollow	Explains AOC recently had a meeting with assessors and tax collectors. Explains that AOC and their national counterpart has been assisting the counties by providing a Y2K tool kit and that county computer personnel have indicated the tool kit has been very helpful.
055	Penhollow	Explains that AOC has organized a county Y2K group made up of county administrators, county counsels, county data processing managers and the county emergency service directors. The group has been meeting on several occasions themselves and has also been meeting with Mr. Maziotti and Barbara Jensen and talking about the county critical mission systems and the county critical system to make sure they are able to pass data back and forth. Invites members to a meeting on February 9 from 9 to 11 a.m.
088	Murray Geisbeck	Information Services Manager, Polk County, and President, Association of Oregon Counties Data Processing Managers. Reports that county IS managers have been concentrating on computer hardware, internally developed systems, purchased systems, external connections with other agencies and liability. Most counties will be ready.

118	Geisbeck	Adds the managers greatest concern is being able to communicate with state agencies, specifically Corrections and the Department of Human Resources.
123	Penhollow	Comments the state-county partnership is very important because many of the state services are provided by the counties.
135	Murray	Adds that he thinks every IS manager is expecting a "hic cup".
138	Chair Hill	Asks if counties are developing contingency plans.
144	Penhollow	Responds he hesitates to respond for every county. Notes diversity of counties. Adds he has concerns about some of the smaller counties. AOC is putting together a survey to identify in each county a county commissioner and one staff person as the key contact persons on Y2K issues. AOC wants to follow that up with a survey to the counties and ask the question "do you see problems, do you need help, can we bring in help from another county". AOC is trying to determine if they can give assistance to the counties.
175	Chair Hill	Comments on disconnection of interfaces by the state if agencies outside the state are not Y2K compliant.
193	Rep. King	Comments that prisoner release would be a critical component and asks if there will be a manual check for security.
198	Penhollow	Responds he would hope if there is a default in the prison system security, it would to close the facility doors rather than open them.
208	Rep. King	Suggest there might be a second look to make sure there is no embarrassing releases.
<b><u>LEAGUE OF OREGON CITIES</u></b>		
226	Beth Vargas Duncan	Staff Associate, League of Oregon Cities (LOC). Introduces Rick Hofland, Y2K Project Manager, City of Portland. Submits copies of LOC's Y2K manual, "Wrestling with the Millennium Bug" ( <b>EXHIBIT D</b> ) and survey ( <b>EXHIBIT C</b> ). Explains that LOC's attempt has been to give the 238 cities a tool to work with.
262	Duncan	Comments that of the 238 cities receiving the survey, 189 came back. Adds that cities with populations under 5,000 did not return the survey.
278	Richard Hofland	Year 2000 Project Manager, City of Portland. Submits an outline of comments ( <b>EXHIBIT E</b> ). Comments the Millenium Bug handbook ( <b>EXHIBIT D</b> ) is terrific. The constituents in the smaller communities need to make sure they look at the handbook. City of Portland has been working on Y2K for years. Comments the assistance provided by LOC has been critical. Notes the charts showing information received from the surveys returned from cities.

335	Hofland	Submits an outline of comments on the City of Portland's Y2K project <b>(EXHIBIT E)</b> .
364	Hofland	Comments on areas of greatest concern: Portland Police Data System, sewage treatment plant, and external service providers.
393	Hofland	Continues presentation on contingency planning <b>(EXHIBIT E)</b> .
<b>TAPE 15, B</b>		
052	Rep. Simmons	Comments he is appreciative of the recognition of concerns about how the public might react.
060	Ed Simkins	Program Manager, Banking Division of Finance and Corporate Securities (DFCS). Introduces Sharlyn Rayment, Program Manager for Credit Unions. Submits and reads a prepared statement <b>(EXHIBIT F)</b> .
098	Simkins	Continues reading statement <b>(EXHIBIT F, page2)</b> .
124	Simkins	Continues reading statement <b>(EXHIBIT F, page 2)</b> .
148	Chair Hill	Comments on the need for each individual to maintain his/her own financial records.
154	Simkins	Agrees. Adds each person needs to have a personal plan.
155	Rep. Rasmussen	Comments she believes the committee has been trying to lay out the ground work for what is reasonable and prudent, that is for every individual to have their own plan for everything from finances to supplies and lights.
161	Chair Hill	Advises members he has asked Jason Cody, Administrator, to draft a resolution stating what the committee has heard and an affirmative statement of legislative body's confidence in the system. Believes the committee can use the resolution as a vehicle to make a very positive statement about the need for people to show social responsibility.
175	Simkins	Comments it is imperative that the institutions and the agency give the public a level of comfort.
187	Chair Hill	Advises this is the end of the informational meetings on Y2K. Explains he may appoint a work group or subcommittee if necessary to hear from other agencies if it would be of value.
211	Barbara Jensen	Project Manager, Statewide Y2K Project Office. Comments their office has

		completed a list of other agencies for the committee to look at that are not on the statewide mission critical list, but may need to report in.
230	Chair Hill	Requests that Ms. Jensen submit her suggestions in writing.
247	Chair Hill	Comments on the committee's agendas in the future.
272	Jason Cody	Administrator. Announces meeting with attorney general's office on Y2K issues.
312	Chair Hill	Adjourns the meeting at 2:14 p.m.

Submitted By, Reviewed By,

Annetta Mullins, Jason Cody,

Administrative Support Administrator

#### **EXHIBIT SUMMARY**

**A - Year 2000 Issues, prepared statement, Al Jasso, 17 pp**

**B - Year 2000 Issues, letter from Cindy Weeldreyer, Bill Penhollow, 2 pp**

**C - Year 2000 Issues, City of Portland Survey, Beth Vargas Duncan, 32 pp**

**D - Year 2000 Issues, Y2K manual, Beth Vargas Duncan, 31 pp**

**E - Year 2000 Issues, outline of comments, Richard Hofland, 1 pp**

**F - Year 2000 Issues, prepared statement, Ed Simkins, 2 pp**