MARCH 2022 AHC BOARD MEETING TRANSCRIPT

Tom Moran:

This a recording for the Board of All Hazard Consortiums meeting, March 15th, 2022.

Bud Mertz:

Hi, Tom. How you doing?

Tom Moran:

Hey, Bud.

Bud Mertz:

Everything going all right in your side?

Tom Moran:

Yeah. How you doing?

Bud Mertz:

Oh, busier than ever.

Tom Moran:

I was going to say you probably got a few things going on.

Bud Mertz:

Oh, yeah. Yeah. It's one thing or the next, but we're managing. We're managing.

Tom Moran:

What's the big item today?

Bud Mertz:

Well, recruitment, retention of personnel.

Tom Moran:

Okay. Always a [inaudible 00:02:35].

Bud Mertz:

Yeah. Yeah, it's sad when you got to compete against Dunkin Donuts and [inaudible 00:02:41] Kwik-E-Marts, and stuff like that. But it's big, but yeah, we're doing that. And we're going through an employee evaluations, or six months, you got to pull them in, and that type of stuff. Keeps everybody on their toes.

Tom Moran:

Yeah. Some things have improved, but not much has improved over the years. This is one of them. Unfortunately, it's just one of those, paying state employees and keeping them there. And I see it.

Bud Mertz:

Yeah. Well, here in the county level, it's even more difficult because-

Tom Moran:

I was just going to say you're at the county level, how is that different [inaudible 00:03:34]-

Bud Mertz:

Yeah. Well, I mean, the first thing is, you have a board of commissioners and you have to... It's a knife fight every time you go in to try to get anything because you're competing against the staff and the judges' chambers and the children's bureau and the district attorney's office and all that stuff. And all of them have important jobs, too.

Tom Moran:

Right, right. Yeah, no.

Bud Mertz:

But one of these days I might retire.

Tom Moran:

How's all the pops doing?

Bud Mertz:

Oh good, good, good. We'll be down in McHenry, Maryland, yeah, in April.

Tom Moran:

Nice area. Yeah.

Bud Mertz:

We'll do our national certification trials down there.

Tom Moran:

Right.

Bud Mertz:

And we do that every year. We have three a year. I instructed two of them, McHenry, and I go down to Matthews, North Carolina. We put one on down there in the fall. And then there's one that we put off in Los Angeles. LAPD sponsors one, but I don't go out to that one.

Tom Moran:

Yeah. That's a hall.

Bud Mertz:

Yeah. That's a hall and all that, but turned out really... It's a nice group though.

Tom Moran:

Oh, I can't even imagine. That'd be a blast going out there with dog owners of any kind.

Bud Mertz:

Yep. Yeah. I mean, it's great. I mean, most of them are all cops, and you're out in the woods and running scenarios for them and giving them pointers on reading their dog and running the trails and stuff like that. It's pretty unique.

Tom Moran:

I'll say, I got to believe the dogs love it.

Bud Mertz:

Oh yeah, yeah.

Tom Moran:

Yeah. I just love watching dogs play and haunt and just be dogs, right? Just do what they're bred to do. Great.

Bud Mertz:

Yeah, I agree. But it's really fascinating to watch them work a scent trail because I say it's the only time that you can really communicate with a dog. And every motion that they make, every muscle that they move, you got to read in order to understand what the dog's doing, how tight your leash is, tells you how fresh the trail is, if the tail starts wagging, and all different readings that you have on a dog that it's just fascinating to watch them work. Their nose will be down to the ground. They'll move it a little bit to the left. And next thing you know, they'll do a 90-degree turn to the right and hop up in the air and the excitement that they have during the trail, which, it's all a game to them.

Tom Moran:

I never thought about the body language. Yeah, that's a-

Bud Mertz:

Oh, the body language is very important. It is. It makes or breaks you on the trail. You can tell because they're not really following your footprints, they're following where your scent is blown. And so sometimes it could blow over to the left a little bit, and then they figure it out. Well, it's weaker over here. And in the excitement, they just hop off all fours and makes that turn.

Tom Moran:

Wow. So cool. Yeah. Now do the bloodhounds have stronger noses than any other dogs or it's about the same?

Bud Mertz:

The bloodhound has... I mean, all dogs have that unique ability, especially you get into shepherds and all that. But majority of the bloodhounds' brain is consumed by the EO factory system. So all the nerve endings that comes from their nose, the first thing it hits is the brain, in that front part of it. So they're more unique. You got shepherds and labs that are out there and that have a strong olfactory system, but they're not as keen. I mean, I found a lost person one time, they were dead when I found them, but found a lost person one time that it was nine days after they went missing.

Tom Moran:

Wow.

Bud Mertz:

And having that ability... And the other unique thing about it is they have that ability to scent discriminate. So you can go through a playground with 25 children playing in it. And if a trail runs through a playground, they're going to know that those 20 other scents are there, but they're going to stay on that one, that they-

Tom Moran:

Wow.

Bud Mertz:

... discriminate those scents to stay on that solid one.

Tom Moran:

Wow. Didn't know that.

Bud Mertz:

Yep.

Tom Moran:

That's pretty amazing.

Bud Mertz:

Yeah. So it's fun. It's a good hobby. [inaudible 00:09:39]?

Tom Moran:

How many do you have?

Bud Mertz:

I don't have that. Our team has six hounds. My last one died in 2011, but I run the other dogs that we have in our team.

Tom Moran:

I see. Yeah.

Carlos:

Hey, folks.

Tom Moran:

Hey, Carlos.

Carlos:

How are you?

Tom Moran:

Very good.

Carlos:

John, stop smiling, John.

Bud Mertz:

Good afternoon.

Carlos:

How are you, sir?

Bud Mertz:

Doing fine.

Carlos:

Good.

Tom Moran:

Hey, Kelly.

Kelly:

Gentlemen, good to see you.

Tom Moran:

Yep. Sun is shining today.

Carlos:

That's right. Hey, Kelly.

Kelly:

Carlos.

Carlos:

How are you, sir? And Mr. Mertz, I haven't had a pleasure of meeting you, but hello.

Tom Moran:

Can't hear you, Bud. Sorry.

Bud Mertz:

Turned my camera on there, so.

Tom Moran:

There you go. There you go.

Bud Mertz:

Can do the face-to-face here.

Tom Moran:

So Kelly, we got approached by the RAND Corporation who got funded by CDC to do a toolkit analysis like that between state emergency management and state health departments, right? And they don't know how to do it. They're coming to us. They're coming to us to help. And I said, "Are you sure?" Anyway, I meant-

Kelly:

Tom, the biggest problem on the planet right now is fixing CDC and public health and the local emergency management. I mean, that's the core of the whole issue, right? And I was talking to somebody yesterday and that window of opportunity's going to close. If we're going to fix it, we can't wait a year and start to fix it.

Tom Moran:

Well, I'll talk to you about it offline, but RAND's a big group, right?

Carlos:

[inaudible 00:11:59].

Kelly:

I'm on the knack now. And that's another long conversation, but they showed us a RAND study that they did for FEMA. And they get paid a lot of money and made my head spin. I'll tell you, I don't know if it's... Yeah, I think they overthink things sometimes.

Tom Moran:

There's no question. They overthought this one. Right.

Carlos:

Well, I remember, in Puerto Rico, the RAND was there for FEMA to review their process. And then it was a very long drawn process. My whole time there, they were there.

Kelly:

Yeah. And Carlos, so did anything come out of that? Did they change the way they do business over there? Or was it just kind of a big thick report that-

Carlos:

No, I'm going to say it was more an audit that was requested of FEMA to make sure that their process for reviewing the work packages and all the FEMA funding paperwork was done appropriately. It also involved this whole thing with Cobra. The contractor that was used at the contract was reasonable, the rates and things like that. So they reviewed that as well.

Kelly:

That makes sense. Yeah. And RAND is definitely a trusted organization to do something like that. Yeah.

Carlos:

Yeah. They were very thorough. I mean, the people, I ended up talking with them for while. But how you doing, all right?

Kelly:

Me? No, no.

Carlos:

You're not doing okay?

Kelly:

No, no.

Carlos:

Why not?

Kelly:

Are we transitioning from a global pandemic into World War III or what? I mean-

Carlos:

Well-

Kelly:

Can things just slow down just for [inaudible 00:13:40]?

Carlos:

They're just trying to tap one another. I don't know.

Kelly:

Oh, my God.

Carlos:

How are the kids doing?

Kelly:

Good. Very good. Yeah. How about yours?

Carlos:

They're good. I'm an [inaudible 00:13:50], and I'm a grandfather now, so.

Kelly:

Yeah, I know. And you got lawyers and engineers.

Carlos:

I got lawyers. I got my mechanical engineer. He switched from civil to mechanical. So he's actually working for Northrop Grumman down in the Philly Navy yard-

Kelly:

Is that right? Awesome.

Carlos:

... as a submarine, doing submarines.

Kelly:

Wow. That's cool. All the best people are mechanical engineers, Carlos.

Carlos:

That's what I hear.

Bud Mertz:

You're on mute, Tom.

Kelly:

Tom, you're talking, but we're not hearing you.

Tom Moran:

I've got Christy on the conference bridge. Christy, say hello so we can check your audio.

Christy Morris:

Hello, check, check, check. Ten, nine, eight, seven, six, five, four, three-

Tom Moran:

You guys can hear here okay?

Carlos:

Yes.

Tom Moran:

Okay, very good.

Carlos:

There is Mr. Ira himself.

Christy Morris:

Hey.

Ira:

Hello, hello. How are you? Sorry I'm late.

Carlos:

How you doing, Ira?

Ira:

Hanging in. How about you?

Carlos:

I'm doing better than you.

Christy Morris:

I'm going to mute myself.

Tom Moran:

Ira, good afternoon.

Ira:

Hey there.

Tom Moran:

How are you?

Ira:

Oh, living the dream. I've been [inaudible 00:15:07].

Kelly:

Ira, now that you're among friends, you can share your impressions of the new commissioner.

Ira:

He's an amazing guy, everything I'd ever hoped for in a leader. He's going to be able to bring our agency to the next level. I mean, this is being recorded. Kelly, it's being recorded. [inaudible 00:15:27]

Kelly:

He's not recording this, Ira, so-

Carlos:

That's great to hear that, Ira.

Ira:

He's a good guy. He means well. It's getting someone up to speed on the nuances of emergency management, seeing him from the other side.

Carlos:

He's willing to listen. Yeah.

Ira:

Yeah.

Kelly:

He's got a long learning curve though, right?

Ira:

Yeah. So we'll get there.

Carlos:

How you doing, Chris? I know he's got one ear with us, so.

Chris:

Yeah, I'm doing well, Carlos. How about yourself?

Carlos:

All righty.

Chris:

Or shall I call you abuelo?

Carlos:

Yes, abuelo. That's right. Actually, it's not abuelo. I'm asking [inaudible 00:16:18] my nephew. My grandson, his name is William [inaudible 00:16:22], but they're nicknamed Liam. And I want to be called [inaudible 00:16:25] which was my father's nickname for the kids.

Chris:

Oh, gotcha. Liam. Sounds like a Irish guy.

Carlos:

Oh, well, he's half Irish.

Tom Moran:

All right. Let's see. Give another minute. Oh, right. One, two, three, four, five, six, okay. I think Tom Hyatt's going to join us. Boy, it's been a while. We did not meet in December, came up so close to the Christmas holidays and then just stuff got away. Turn around, it's March over. And I'm like, holy cow. So a lot going on a lot going on, I'm sure, in your worlds. I can't even imagine what's going on in emergency management and health, and oh, goodness graces.

Christy Morris:

It's never ending, Tom.

Tom Moran:

I know. All right. Well, let's see. Why don't we go ahead and start? I want to make sure we do introductions because Carlos, I'm not sure you've met everybody yet. So I'll just go around the horn. I think you've met pretty much, but-

Carlos:

Yeah, but is the only person I haven't met officially.

Tom Moran:

Okay. I don't know if you met Christy Morris or not, but-

Carlos:

Probably not, no. I'm sorry.

Tom Moran:

Christy, while we have you, why don't you introduce yourself and then we'll go around the horn if you can hear me?

Christy Morris:

I can. I can hear you very clearly. This is Christy Morris, I'm from the Great State of West Virginia. I am blissfully retired but working harder than ever on foundations and boards and in my church. I am in transit at the moment, but I will be in a place where I can log in from a computer in just a few minutes. I am the former Deputy Secretary of the West Virginia Department of Military Affairs and Public Safety here. And it has been renamed to the Department of Homeland Security. And that's who I am. I've been around AHC for a long time. So I could tell you stories, but I won't.

Tom Moran:

Hey, Christy, remind me, we have a training initiative I thought you'd be interested in, right? So I'll get back to you on that one. This is kind of funny. Okay, very good. Okay, Bud?

Bud Mertz:

Well, I'm Bud Mertz. And right now I am the Director of Public Safety for Westmoreland County here in Southwestern, Pennsylvania. I've been here in this position for eight years. Prior to that, I was the Director of the State Emergency Operation Center for FEMA for a number of years. And prior to that, I was the Deputy Director of Homeland Security for the Pennsylvania Governor's Office at the time. So I, too, like Christy, have been around, I think 2004 was about the first meeting that I made. And also, like Christy, I'm a past president of the All Hazards Consortium. And the AHC is like the mafia, every time you think you get out, they drag you back in again.

Carlos:

That's right.

Bud Mertz:

But happily I'm still part of the part of this group. And I've seen over the years of that 16 or 18 years that we've been in existence, I've seen this agency or this consortium rebirth itself into something even more powerful and unique than it was before. And I give that credit to the board and Tom Moran as our executive director, but it's been amazing, the rollercoaster that we've been on. And I remember talking about the budget one time and having single digits in our budget in our checking account to where we're at right now. So it's really a great group to be part of. That is me.

Tom Moran:

Okay, very good. Carlos, I think you've met everyone else.

Carlos:

Yeah. I just, I see Jim Sheehan joined on and Tom Wyatt, Tom Hyatt, I'm sorry.

Tom Moran:

Okay. Hey, Carlos, why don't you introduce yourself? I think everybody else knows you and knows everybody. I wasn't sure about Bud and Christy. I want to make sure-

Carlos:

Sure, sure. So my name is Carlos Torres, and I, too, have known Tom for quite a number of years. I guess it started probably during the Sandy days, right, immediately after Sandy. And that was probably the most devastating event. And I was at Con Edison in New York at the time. I was their Vice President of Emergency Preparedness and Business Resiliency, and I was there as the Vice President for about 10 years. And during my time there, All Hazards Consortium became a critical partner during my tenure there. And I hope they're still involved with the Con Edison. I don't know if I was one of the first utility folks that joined in with The All Hazards. And I saw the benefit right away. And I felt that I had a real good partnership with local government, local agencies, the federal, the state, but this forum of The All Hazards Consortium really lends itself to deal with each other, both in crises and non-crises situations. And hopefully more on the non-crises, more planning, more educating, more understanding-

PART 1 OF 4 ENDS [00:23:04]

Carlos:

Hopefully more on the non-pricey, more planning, more educating, more understanding. When they did the tabletop exercises, when we were doing Philly, I thought those were great because you engage and you mix partners together and you start talking and you try to understand each other. So when I retired from ConEd, not retiring, I wasn't planning on retiring 100%, I was going to go part-time consulting, but I ended up going down to Puerto Rico, and I went down as part of the Edison Electric Institute Group. And it was supposed to be a short trip to do an assessment, but I ended up being there for eight months. The governor asked me to run the restoration for the Commonwealth. And during those eight months, those were very trying times. [inaudible 00:23:49] was there several times with me, but it was the industry response working with FEMA, first time I ever had to deal with FEMA outside of Sandy, but this was really the effort that... I thought Sandy was the worst event I ever had to deal with, but Puerto Rico is my topper because I've learned so much during my eight to nine months there.

Carlos:

And since then, I've been consulting and I've been working with various organizations. I worked with EEI, I worked supporting the APPA, I've worked with other consulting firms, preparing emergency management work. I'm in engaged with The All Hazards Consortium on a number of initiatives and hopefully get engaged with more because I think the need for this... We're talking to health, but health and all these issues that we're dealing with, we're not prepared for these events. We have this opportunity to really be working together collaboratively on a lot of these issues. And if we don't do it together, I call it, across the aisles, on a public-private setting, shame on us. And when I was asked to be on the board of the AHC, I think I grabbed onto it in the second because I believe in it and I want to make sure we support and we make it as effective as possible across the US and maybe abroad.

Tom Moran:

Okay. Thank you, Carlos.

Carlos:

You got it.

Tom Moran:

Hey, Tom Hyatt.

Tom Hyatt:

Hey, Tom. How are you?

Tom Moran:

Very good. So Kelly, you're the ranking board officer here while we wait for Mr. Geldart. Chris said he'd be a few minutes late. I guess he's got kind of a big job. I guess it takes [inaudible 00:25:42]. And then-

Kelly:

Yeah, I would say he does, right?

Tom Moran:

Yeah, yeah. So I could share the agenda up on the screen.

Kelly:

Yeah. I have it here somewhere, but if you want to share it, Tom.

Tom Moran:

Yeah, no problem. Okay.

Kelly:

So, welcome. I will, on behalf of the President, Chris Geldart, call the meeting to order. And I believe we have a quorum. Do we have everyone but Chris, Tom?

Tom Moran:

Let's see. Hang on a second. Let me count. Yeah-

Kelly:

I don't think anybody's missing at this point. We've got a good group.

Tom Moran:

Yeah, we do have a quorum. Yes.

Kelly:

All right. So we can declare a quorum. And then I want to ask if there were any questions about the minutes from the June board meeting, and those were probably sent a while back, Tom, but are there any comments about the minutes from the June board meeting?

Tom Moran:

Actually, Kelly, that was my typo. That should be September. Last time we met was September 2021.

Kelly:

September, okay. I remember looking at those, and I don't have any comments. I don't know if anybody else has any comments on those.

Carlos:

Yeah. The only thing is, Tom, I'm not sure if I got that. So you may want to... I don't know if it's in the website for the board members or-

Tom Moran:

Yeah. It's on the website. Do you have the link? I'll post it in the chat if you need it.

Carlos:

Yep. Okay, great. You could do that, please.

Tom Moran:

Yeah, I apologize for the [inaudible 00:27:23].

Carlos:

Nope. No apologies required.

Kelly:

Should we go ahead and try to approve those now, Tom? Or you want to-

Tom Moran:

You can-

Carlos:

You could go ahead. Yeah.

Kelly:

Okay. Can I get a motion to approve?

Speaker 1:

Motion to approve, yes.

Kelly:

Thank you. And second?

Speaker 2:

I'll second it.

Kelly:

Thank you. Any objection to the motion? All right. So we will consider the September 2021 board meeting call minutes approved and move right into our finance report with Mr. John Molnar. John?

John Molnar:

Sounds good. Sounds good, Kelly. Tom, can I share my screen for a minute?

Tom Moran:

Oh. Oh, yeah. Hang on a second.

John Molnar:

Little easier if I can.

Tom Moran:

Yeah. Okay, go ahead.

John Molnar:

I'll just do it this way, a little faster. I'll just be real quick here in regards to the income area. I'll go over that very quickly. One of the things that we have seen, as you can tell, the grants that we're dealing with through HSEMA, and I'll talk to this in a second here because basically the bulk of the other projects are really within the INL over this last year, and that has stopped there in March was the end of that contract with INL, so anyway, so on the bulk of it. And then there was a $40,000 extension to help with the summit piece on the INL piece. So again, the year prior to that, we were dealing with a $1.1 million project. And so we basically are down to the $100,000 at this point. We'll talk about that in a second.

John Molnar:

There's some positive activity moving on that front, quite a bit, a positive activity, but that has been some ground that we've had to hoe for a while here this past year to try to get to the point where we are now. But the one positive point is that we keep talking about HSEMA, and we don't talk about it very often. But the work that Chris has, as well as Darrell Darnell, for that matter, and provided to the AHC has been an extension of about, from 1.5 million, this thing has gone to about 3.5 million. And we make up about 9% of the dollars that are in that number. So it's about 200. If you can do that math there, it's close to about $300,000 in annual revenues that we gain from the grants working through HSEMA.

John Molnar:

So anyway, it's very positive. Again, the downside has been the INL, and the project work has been for this year. And we'll deal with that. You'll see one of the positive aspects that is starting to touch ground here is in the BRIC Grant. And we'll talk to that one in the next segment. We'll talk through some of the future type of work. Over on the cost areas, you can see the big cost areas that we're dealing with. I'm sorry. I moved past. I thought I moved past it. Where is it?

Kelly:

John, just on the revenue side, that says gross profit. That's gross income, right? That's not gross profit there.

John Molnar:

That's correct. Yeah. Yeah, I didn't make up that word. That's what they used for the thing. So you're correct. That's revenue.

Kelly:

Okay. Got it.

John Molnar:

Sorry. I guess it's net profit. It's gross profit. Net profit is at the bottom line here. So one of the thing, you'll see the big driving factors, certainly Tom and I's salary are the big drivers within this, and I can tell you a lot of that is accrual-based. And that has probably been cut back quite a bit in the past year, probably closer to $80,000 cut within that arena at this stage. And then the other effort that we worked through is, bear with me, I'll try to find this as well, because most of this other efforts are really just reimbursements from the grant that we talked through previously, such as HSEMA's IT consulting, being 600,000 and stuff. But the other area that we really deal with is the, we call it, marketing communications. It's really the efforts that able and his team bring to bear on the marketing side, on the IT side, and on some of that we deal with.

John Molnar:

And that's really our big buckets of cost that we're dealing with. And we are working on that now to cut that probably by a third on what Abel's team is working on until we can really get engaged. And even the projects that we're dealing with now don't take as big of a lift over on Abel's side with the marketing effort that it does, that we've been dealing with. So you can see there has been a [inaudible 00:33:07]. We told us before, we've had about $800,000 in the till. 600,000, at this point in time, is in the queue right now. And that effort leads to close to a little over a year and a half run rate that we're dealing with at this point in time, which is, I can tell you, guys, there's been days when we've been minus 12 months.

John Molnar:

So this is not certainly the end of the world, but to put that on a positive spin, I think the project that I spoke about before on the $100,000 side, at this point, we'll continue... What we're dealing with, initiatives now that with DHS on fiber cuts on use cases, dealing with fiber cuts, unstructured data proposal that's going into DHS, a cybersecurity collaboration initiative that's being put in front of them, storm central that Carlos and part of his team has been working on is pretty much ready to see what we can do to bring in some revenue regarding that at this point. And then the big number, and I'm not going to queue that at all, Tom, but I think the next segment that we talk about is the BRIC Grant and the positivity that we're bringing to bear in the BRIC.

John Molnar:

And I'll just say that on dominion alone on the BRIC Grant in 2022 that we brought in $97,000, just on the BRIC Grant from dominion alone, just getting started within this BRIC area with a $800,000 grant being submitted through Virginia for the BRIC efforts that we'll talk about here in a second. So Tom, unless anybody has any other questions, that's really what I wanted to point out and very quickly go through what we're into at this point.

Tom Moran:

Okay. Any questions for John?

Kelly:

John, what I mean, have we looked closer at the just a breakout? If you look at the HSEMA stuff, is that a net negative? Or what part of the business contributes to that deficit?

John Molnar:

No, that's positive in the neighborhood of $300,000. So that's basically what Tom and my salary covers at this point. Yeah.

Kelly:

So if you talk about just writ large, because this isn't is a nonprofit, right, it's a public benefit corporation, so where are we? What are we expending? What part of that layout is accounting for the deficit? In other words, what part of it are we really spending money on to the public benefit that we're not recouping in revenues? Do we have a sense of that?

John Molnar:

That would be time, Kelly. And really, what you're getting at is, what do we not recoup in those things? So I mean, the point of it is, I don't know, there's 10 bodies that we basically provide either through our cost between Tom, me, and Abel's team or somebody like Dave [inaudible 00:36:47]. What other efforts? Darrell Darnell helps out in some of the regards in terms of the BRIC factors or on some of these other projects, like Laura Johnson to help in some of the summit activities, and there was a cost there, I don't know. But it's $15,000, kelly. That's not the driving factor that Laura is dealing with. The three big elements are me, Tom, and Abel within the marketing area. The marketing area is probably one of the biggest struggles that we've had, to answer your question succinctly there, Kelly. If you're putting me on the spot there and say, "I want to know where those cost are being spent," it's really within that marketing arena to see what areas are relevant, what areas are people actually needing, and what areas are not working at all. And I guess through some of that, we have to learn. And it does cost us to learn at this point.

Kelly:

So if we tell the story, right, the mission of the organization is what we do to [inaudible 00:38:00] all of the work that you do with connecting all of these industries together, and really, the real nuts and bolts emergency management work that we do. And it's expensive, and we recoup some of that through the body shopping that we're doing, but we don't recoup at all, right? So that's essentially... Right?

John Molnar:

Yeah. And then, yeah, now that I'm thinking about what you're saying, really, the aspect and the time that we spend... I mean, Tom spends an [inaudible 00:38:36] amount of time and a lot of... It's what we do do though, Kelly, this collaboration of the states, coordination group that Tom gets together, nine states that meet and coordinates the use cases within those giving teams and talks through that-

Kelly:

That worth $200,000, John, is my point. It's worth the multiples of $200,000. And so one of the things you could do on marketing, and I'm not suggesting this, is you could go out and look for donors, right? You could go out and say, "Look, this is a public benefit." Or you could go, and you could lobby FEMA, you could lobby others and say, "Look, the benefit that we provide in a disaster is..." And maybe we try to figure out a way to sort of characterize that. But essentially, it's a public-

John Molnar:

That whole information sharing that you're talking about, all the different sets that we have developed in the GIS arena, all of that, of the people... of the don't haves. The people that have money, the Walmarts and that type of thing, they don't need us, Kelly. Organizations have millions and millions of dollars to do that with. The food sector, though, they struggle, and they don't pay for it. But we give them that in that size format, and they use that information to see where the traffic patterns are, what the weather looks like, what's going on in regards to construction, what's going on on the declarations and waivers. All of that information is really... I mean, that's what's free at this stage of the game. That's what you're exactly [inaudible 00:40:18].

Kelly:

I just think we have to figure out how to monetize that. I think we have to figure out and just... Because it is a benefit to states. It's a benefit to the nation essentially. And I think that maybe this year, we put some thought into how to sell it that way and see if we can recoup.

Tom Moran:

I think on the agenda here is a board summit. This would be a great topic, one to get everybody up to speed. A lot has changed, right? We do a lot that we don't charge for. Okay. There are new revenue opportunities that we're looking to take advantage of. We basically had this big INL project funded by DHS, right, which carried us for a while, right, those things on set. The staffing thing is kind of keeping things steady afloat, and we're instituting some new initiatives, which we'll talk about in a minute, but I don't think we've put our message together for the public-private, to your point. I don't think we have effectively communicated because there's no one doing what we do anywhere.

Kelly:

No. And not only is there no one doing it, but the things that they are doing on the government side are sort of just clearly, I wouldn't say they're ineffective, but they're certainly marginally effective, right? And when you talk about $200,000 in the context of what CISA and DHS does and FEMA does on the public-private sector, it's a rounding error, right? I mean, it's crazy.

Tom Moran:

Well, that, to me, would be a good discussion for the board members to be interested in. I think would be a really good one because we're coming up at the end of our five-year strategic plan. I think it's time... It's a different world we operate in today, right, which isn't good or bad. It's just reality, and I think we can morph to do that. And there's opportunities that exist today that don't exist, and there's issues we're fighting right now. We've never been into cyber, but now we're being pulled into cyber. We haven't done a lot in health. Now, a health opportunity comes up. So I think we want to do that with the board, right? That's a strategy. And I think that we need the help of the board to kind of help shape it.

John Molnar:

And it's interesting, Kelly, because what you're talking about are the roots of this tree. And we have a slide that probably was, I don't know, what, Tom, 10 years old that we put together. And that damn slide is still relevant today. We need $500,000 a year to make this thing go. That's what it is. And we got 300 in until... If we don't get more than 300, we lose 200. So that is the base number. I don't give a shit what anybody else says. That has got to be the number.

Kelly:

Yeah. I mean, you nailed it. But I'll say, and I was just saying this earlier to Tom, right, that there's a window of opportunity. You can point back into what happened the last two years and say, "Public-private sector cooperation in a disaster is important." And people don't ask you why. They don't say, "What do you mean?" Right? They see what public-private cooperation did to develop the vaccine, which was a miraculous occurrence, right? It was literally a scientific miracle. And then they look at the other side when it didn't go well, on the PPE side and the supply chain side, when there isn't that good interaction and conversations. So there's a very strong argument you've made, but people are going to forget. So we have to leverage this window that we have to go in and say, "Look, let me just scrape up some of the bread crumbs from your budget, and you can fund me for a decade."

Tom Hyatt:

I'll just add onto that, Kelly. I think that the cognitive dissonance that you're talking about is the same one that all nonprofits have, right? We're a charitable organization. We're there to benefit the community. We're supposed to give a lot of things away for free, but at the end of the day, we have to pay for the program that we do. It's a really a misnomer to call us a nonprofit. It's non-equity. We have to have profit, or we can't fund the programs. No margin, no mission, right?

Kelly:

Exactly.

Tom Hyatt:

So it's a combination of trying to find those things that can pay the bills and those things... I always think about, one of our great success stories is the Fleet Working Group, right? There's no price of admission to that. We perform a function that no one else really does the way we do. And what the public may not see is that because the Consortium is here, 10 utility crews got through the toll booth quicker and got your power back on 10 hours sooner. That's direct community benefit. They just don't always perceive that. So telling that story effectively is always our challenge as well.

Tom Moran:

So-

Kelly:

Great. Great. Well put, Tom.

Tom Moran:

I'll make a note of that. I know Mike Ambrosio is not on the call, but Mike is really pushing for a face-to-face if we can, right, or partial face-to-face, virtual. But anyway, I think when we get through some of this, you'll see what I'm saying. But anyway, so far, so good, but I think we're creating some new initiatives that we'll get into just a minute. I think just the BRIC initiative alone could be a game changer for us. I mean, now we're getting into projects per state, 25, 30 million [inaudible 00:46:04]-

PART 2 OF 4 ENDS [00:46:04]

Tom Moran:

Now we're getting into projects, per state, 25, 30 million a pop, right. And we're doing it with the utilities and the states together. So I'll explain the model once we go.

Tom Moran:

So, any other questions for John on the finance report? Big idea, we're managing the costs right now. It's about an 18 month glide path, based on current scenario with nothing new. Okay. So like we always do, we're manage our costs down, we'll manage our revenue stream.

Tom Moran:

I think the staffing part of DC and HSEMA just continues to increase. They're bringing John in on more and more stuff. And now looking at some actually, very, very large stuff to help him do.they just like you, John. And I think, John's ended up doing the procurement. You're doing a lot of the procurement work for some of this, right?

John:

Yeah. The procurement work now for some of the... They actually are, I don't know, building. I don't know if this even makes sense, Bud would understand this more than I would on the flood. But apparently there's monies that they built homes for, for houses that were flooded and stuff. And they replace these homes. I don't know who does the work, where the money comes from, but DC is funding the money through a BRIC grant. I don't know how that even works, but that's one of the areas that they're talking about.

John:

We're doing generations within DC and stuff now, and asking for bids regarding some of the electricians and stuff coming in there to figure out the capabilities that are necessary for the generators and then they're going to be buying the generators, I think. They could even do that through us as well, through some type of bidding process.

Tom Moran:

Again, I think the Consortium's easy. They use it and they keep using it more and more and more. And our little nine and half or 10% overhead is ticking away, so. Okay. Next up any, I guess that's the finance report.

John:

Yep.

Tom Moran:

Okay.

Speaker 3:

Do you need a motion to approve the finance? I'll make the motion.

Tom Moran:

Can we get a second?

Carlos:

Yeah, I'll second it.

Tom Moran:

Okay. Who's seconded?

Carlos:

Carlos.

Tom Moran:

Okay. Any further discussion? Okay. All is in favor?

Speaker 4:

Aye.

Tom Moran:

Okay.

Speaker 3:

Aye.

Speaker 5:

See that, Tom? You see my hand up?

Tom Moran:

All right. Finance report approved, very good.

Speaker 5:

I'm just leveraging technology. Okay?

Tom Moran:

You're just a model. Kelly, what can I tell you?

Tom Moran:

So let me talk about BRIC for a minute, because it's an interesting story and it's going to be an interesting future. When the BRIC grant came out, there was a match requirement. We felt that because we had really knocked the ball out of the park, developing match during the catastrophic planning grant, I think we generated over 30% match.

Tom Moran:

DC was using the extra match for a year and a half after the grant sunsetted. So we put a system together to track hours, to do procurements and we put match on everything. And when you're getting match hours from the private sector, it's tripled out of government, right? It's not 50 bucks an hour. It's 175 bucks an hour and FEMA proved it all, right. So when the BRIC grant came out, it had a 25% match.

Tom Moran:

And so we felt, maybe we could help some states generate match. So we called Darrell. Darrell's private, he's retired now. And Darrell was the DC emergency manager, said, "Darrell, what do you think about this?"

Tom Moran:

"Yeah, that could help." So we started going down that road, we have a group. The Consortium has a work group of now, 19 states meet every two weeks under the Consortium, through the state liaison working group. It's chaired by Persia Payne-Hurley out of North Carolina. But it's got Oregon, Washington, Arizona, California, Michigan, Illinois, so forth and most of the region two and region threes, some region one.

Tom Moran:

We ran it by them. They had a good idea. And then one of the states said, "You know what? We'd like to maybe look at doing a project because we don't have anybody to write the grants."

Tom Moran:

This is Alabama. "We don't have any people to write these grants. We already are submitting grants for flood mitigation, but we really would like to do something with energy resilience, which is a big issue under BRIC, energy, right?".

Tom Moran:

So anyway, that got us thinking, we decided to put together initiative, put together a slide deck, made a pitch to two states, Virginia, North Carolina, on an idea that would start off with building a micro-grid project, which FEMA had funded. But the more we got into that, the more that was one community that works. What really be great, we need to cover more communities within the state. So Dominion came up with this idea about big, massive commercial batteries on a flatbed that could charge during the day, solar, 300 days a year. And the five days a year, they could be deployed like a swarm and go into an underserved community to keep pre-wired buildings up and running.

Tom Moran:

Now, the local communities would need to be underserved communities, as part of the grant. And they'd have to be pre-wired, that fitting doesn't exist yet, the kind we need. But Dominion came up with this idea. We floated it with Duke, Duke thought it was interesting. We talked to North Carolina, we talked to Virginia, I'm short cutting everything. Duke backed out. It was a little too much and undefined. Virginia went forward and in January 28th, we submitted the first phase of the BRIC grant. It's about an $800,000 proposal. And what it will do is, do the scoping of the project. So if you can imagine, in Virginia, they'll identify six or eight underserved communities with the same metrics they did for COVID money, right?

Tom Moran:

Then those communities will point out two or three sites, a dialysis ward, a nursing home, something critical, unique to that community. And they will be pre-wired, right? And the reason the pre-wiring is important is, with the normal setup today, it would take four or five people to hook this thing up. If you put in a special kind of charger, the driver gets out, plugs it in and you're up and running. So it's much simpler to operate.

Tom Moran:

Virginia loved it. We had a call with all their county directors, all of them loved it. They called us back after that call and said, "Tom, we've never seen our county directors be so positive all at one time. Now they're going to fight for which county's going to get it."

Tom Moran:

But what we discovered in the process, we asked Dominion to pre-fund us prior to the bid, to staff, all the people, to do all the writing, all the research, all the work, the state put up, no funds, no people, nothing, except submit the application. The Consortium would do all the heavy lifting, all the grant writing. We'd price the whole thing. We'd manage that whole thing and we would guarantee the match.

Tom Moran:

A hundred percent approved. They submitted the first one and phase one is a scoping project, right? Phase two will be a pilot for about six to eight million, probably a couple of trailers and 10 sites maybe, we'll see. And phase three is general rollout, about 25 million. We think we're going to be in the 10 to 25 trailer, depending on the price of the trailers. But we could pre-wire sites all over those communities.

Tom Moran:

So the big idea is to have a swarm of these in a state or two or three or four states that can sit there and charge off solar all day long and when they're needed, they can unplug and move mobile, into these communities with these large batteries, or go across state lines. We see this as a multi-state because the utilities we work with are already doing mutual aid. And if North Carolina needs it, why couldn't Maryland or Virginia or New York, whoever's got them, move them, as a mutual aid, keep a community up and running, unplug, go back and recharge.

Tom Moran:

So it's creating this mobile swarm of batteries. It's called GPOD, G P O D S green power on demand.

Carlos:

Hey Tom, real quick question. They're going to be owned by whom?

Tom Moran:

The utilities.

Carlos:

By the utilities?

John:

Tom. I was going to get to that, at some point in time, I think we ought to send the fax sheets out to the board members to...

Tom Moran:

Yeah. I'll send-

John:

Carlos, we have all types of areas there Carlos, of questions that you're going to be dealing with, the process issues, who owns them? Who's going to maintain them? Who's going to fix that plug? Who's going to do all that? Pretty much at this point, it's over on the elect...

Carlos:

The utility companies.

John:

The electrical companies.

Carlos:

Which is actually easy. It's actually much easier on the utility side than on the state side, because you get into the states, they got their rules and things like that. Utility will be a mutual assistance and you can charge and if something breaks while they're in operation, you can bill it and it'll be part of the payment process.

John:

No, you're funny you bring that up though, because there's two other areas, Carlos. There's technology and there's questions regarding that and how big can these things maintain? Can they open up the whole-

Carlos:

I got tons of questions on that because there's safety-

John:

Run the elevator, do all this other type of stuff or just leave some of the arrow lights on and then there's outreach and who needs to know about this regarding the administrators, regarding the...

Carlos:

Fire departments.

John:

Regarding the areas as well as the state and local people as well. So I think there's, what Tom? There's eight pages of questions that we have.

Tom Moran:

Let me jump in, shut it down. We got to, adjourn it okay. However, I wanted to show you our-

Speaker 5:

You're geeking out Tom, you have to shut that down. You have to.

Carlos:

There's leakage on the...

John:

But you don't think this is in Carlos's wheelhouse? I mean, he could wave the bone forever.

Tom Moran:

That's funny.

Carlos:

No I got Dave Vanderbloemen, he's good.

Tom Moran:

Here's the big idea. Dominion came up with the idea. They generated a whole bunch of questions. We are only going to fund and underwrite this if we get the following. This is where the value of the Consortium, we had to solve misunderstandings before we ever got to the table, right?

Tom Moran:

John and I knew this, you don't just bring a state and a regulated utility together to spend money together overnight. There's all kinds of governance issues and we worked through all that stuff. Anyway, bottom line was, we have a model now, that we can scale anywhere. So this past week, I sent letters for scoping project idea discussions to North Carolina, Pennsylvania, Alabama, Mississippi, Louisiana and we'll see who bites.

Tom Moran:

But this next year, we hope to put in five or six scoping projects with each of those states and their overall utilities, right?

Tom Moran:

Because the deal is the utility has to fund the upfront work. Now it's a great deal for the utilities, because over time, they're going to get paid to do this work and it's a good process for the utility, based on everything we've heard from Dominion. It's scalable.

Tom Moran:

And our role is very simple. We do the match, we do the facilitation and we run the governance and the outreach like that. But I wanted to tell you guys about it in a short brief, we can get into much more detail afterwards.

Tom Moran:

This has the potential to really become a very large, what I would say, generational impact type of project work for the Consortium. FEMA regional directors heard about it and loved it because FEMA doesn't want the normal grant submittals. They want innovation. They weren't even thinking about multi-state. So this will be the same project across multiple states, right? One project across a bunch of states that they can mutual aid. It's a brilliant, brilliant idea. I thought, right?

Tom Moran:

But anyway, let me pause there. I just wanted to let you know our plan going forward. The first year is about 600,000 in revenue. Second year, about five, six, 8 million, the third year is 20, 25, 30 million. These are big, big projects, right? And what I liked about it is, we're able to finally, Kelly, this goes back to, we established the Institute right.

Tom Moran:

To coordinate federal and industry investment and here it is right here. So when we submitted the proposal in January, we already developed 200,000 in match before we even submitted the proposal. 100 000 in cash from Dominion and 100 000 in hours and times we donated and we didn't bill for.

Tom Moran:

And let me pause there and see if there's any questions on this. I'm just scratching the surface, but it's going to be a big workload, a big work center for us and a revenue center down the road. And any questions on that?

Speaker 4:

Do you envision going into approaching a couple of states and utilities and convening a group that isn't aware of this? Like an example, approaching... You're talking about Duke Energy, but just, you pick another utility in another state, another couple states and then proactively convening them and selling the idea to them. Is that the idea?

Tom Moran:

Yeah, the success formula of which we've failed before. The success formula is to first get the state emergency management director to convene a meeting with us and his mitigation folks, is step one.

Speaker 4:

Yeah. That's right. That's the use case, that's the mission. and that's who needs it and that's who... Yeah. And in fact, David would be like, you might even be able to convince them, buy a couple and, keep them in your back parking lot. So you can roll them out, right? But if it's easier if the utility does it's and, not easier, it's just 10 times easier in every way. It makes sense, right? Because they know what it is and they know how to use it.

Tom Moran:

So once we got Virginia on board, then we went to Dominion and said, "Look, the state's good with this. Here's the idea. Here's your commitment to it? Here's our commitment to it. Well, why do we have to pay for it? Well, who's going to get the money?"

Tom Moran:

We have to answer all this stuff, right? But once the utility saw... We approached the operations group, they moved us to the RND group. This funding came out of RND and I asked Alan Bradshaw, "Alan, why did you do that?" he said, because RND guys have fund money. Their job is to throw money at stuff and see if it works.

Carlos:

It's proof of concept, right. It's really rough proof of concept.

Tom Moran:

Yeah. So, we're building a process as we go. Now we can replicate that, right?

Carlos:

Yeah, I was going to say, it's like a cookie cutter. You want to have a cookie cutter process and if it works in one state. Let's work on their part.

Tom Moran:

So we envision Christie, West Virginia and Pennsylvania, because we know they are hammered with flooding and a lot of underserved communities are out of power for a long time, right? And we know down in the Gulf area, but the nice part about it, is if the upfront funding can come from the utility, we can do this all day long. Okay.

Tom Moran:

The question is, will the state support it? Because that's a sell. I mean, you got to get the... The mitigation people are pretty protective of their... And their first question is, why don't I have people to write more grants and they're going to take all our 5%. The answer's no, we don't need your people. No, we don't need your 5%. And they're like, "It's too good to be true." And I said, "It's because you don't have a partner like the Consortium to help you navigate the private sector resources" right?

Carlos:

Well, I'll tell you in New York, we did the RND project with a trailer mounted battery station as well as a permanently installed battery station. And that concept as, I'm assuming, because I'm not a Kinet anymore, but that's available and in use. I don't think it's rampantly in use because you don't see a lot of advertisement about it, but there's always the fire department issues. That's the only thing I see that is the baggage, is dealing with fire department because if something happens, what do you do?

Tom Moran:

Yeah, there's a myriad of issues, right? What is driving this, is the billions now that the infrastructure bill is putting out, we have people working, tracking that, right? There's a piece there, there's BRIC. BRIC. Isn't the only resource for this. But the big idea I want the board to understand, and we can get into is, this is the coordination of public and private investment. I don't care what topic it is, health, avi... It doesn't matter.

Tom Moran:

This, takes finesse, it takes trust, it takes a process, it takes governance and it's a perfect role for the Consortium and it's leaders. Perfect role, right?

Tom Moran:

So anyway, I would offer to do a more in depth dive into this, but on this first project, you submit in January, Virginia will get the verbal award or not in June, July, the money will show up in December.

Tom Moran:

Then next January, you go to the next phase, then it's, January, July, December. January, just over and over and over. So, our first year was, let's figure out what we're going to do. Our second year is, let's do it four or five more times. Third year, we'll do it scale.

Tom Moran:

So that's what's going on with the BRIC grant and the feedback we're getting from FEMA indirectly is they love it. It's innovative. It's putting their dollars to use immediately. The utilities love it. They get instant ROI. Branding looks great. They're working with their state partners. They're using their RND money that can produce real results immediately, right away. It's an interesting scenario for us to walk into because we did the catastrophic planning grant. Had we not done that, We would not be able to do this. Okay.

Tom Moran:

Okay. Any other questions for now? Okay. Let's see, Kelly. I guess next up we have our legal update. Did we lose? Oh there's Tom.

Tom:

Sorry, trying to go off mute there. Yeah, nothing further in particular, I think for today, Tom. Carlos, if you haven't heard from John or Tom, we have a fairly traditional conflict of interest policy and disclosure form. So if you haven't seen that yet, we'll get that out to you to provide. The essence of it, of course is simply disclosing financial interest, but also dual interest.

Tom:

If you serve on a board of another organization, all that kind of thing, where it's helpful to know. Not all dualities are adverse, but it's helpful to know what other boards you might serve on, so we can be aware of where there might be any disconnects there. And for others on the board, if you haven't filled one of those out recently, again, let us know. We'll get that circulated and back to you.

Carlos:

Yeah, Tom. Just so you know, I did get it at the end of last year and I did fill it out and send it to Tom, I believe. Tell me if you didn't get it and I can resend it. I don't know if that's an annual thing that you do or is it a once off?

Tom:

It is annual Carlos. Yeah.

Carlos:

Annual. Okay.

Tom:

Yeah. Got it. Thank you for that. Just one quick observation, in terms of the nonprofit update, that you said that got me thinking a bit, Tom and It'll be easy to get on a soapbox on this, so I'll try not to do that but we have a fair amount of latitude as a nonprofit organization and our particular mission for the Consortium and, give a lot of credit to Tom and John, their masters of reinvention.

Tom:

This organization has been reinvented so many times since our foundation and it's been the secret to our success. But you mentioned cyber, Tom. And that's something I think about that's very much within our permitted swim lane as a nonprofit and the basis for our tax exempt status.

Tom:

And, the thing that's been on my mind, since I heard it, was on one of the Sunday morning talk shows. And I forget who the talking head was, but it was a prominent politician or national security advisor. And they were talking about Putin's nuclear threats. And what he basically said is he will threaten nuclear. He will act cyber.

Tom:

The risk of nuclear attack isn't all that great. The risk of hacking and cyber attacks on the electrical grid, on the utility grid, if nothing, just to show us that he can. And, if he really gets pushed into a corner, to do far more reaching than that is there.

Tom:

That's a crying opportunity for this organization to jump in and help coordinate response to that. And it may be something that we don't have a lot of time to react to. That requires us to be flexible and agile, which has always been the key to our success, is that we're lean and mean and that we can connect states in ways that others cannot. So something to keep in mind as we move forward, that may be a bit of a pivot for us, but very much within our swim lane.

Tom Moran:

Yeah. And on that front, this goes back to a project we're going to submit to DHS here shortly, is we develop a standard to rank data, the operational readiness level standard. We had nine states, 11 utilities get together and agree to these 10 things. And if it's, "Oh, yes" for all these 10 things, the data could be ranked one on the ORL scale.

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Tom Moran:

Yes, for all these 10 things the data can be ranked one on the ORL scale of four, and you can make a decision you want to check it, so very effective. It's now being adopted nationally. DHS approached us about doing that for the private sector cyber issue after Colonial, "Hey, you guys did the ORL standard for data. Do you think you might do something for cyber?" So what does that mean? Developing a standard red, yellow, green, one, two through whatever for a company to report privately. This would not be public, and a cyber incident without incriminating the person, the company, threatening the brand or the stock price, doing it in a way that's safe that it let everybody knows, "Hey, this is a one, pay attention." Or, "This is a four, not as bad."

Tom Moran:

We ran it by them. This would just be putting a work group together, discussing the parameters, getting common agreement. It would start with private sector and then spread to government. But anyway, DHS had a really interesting appetite for this on the cyber front, because they can't do this. This takes private sector to come together on a very sensitive topic, that private sector doesn't really want to come together on easily. Right? And so we have two companies, Verizon and AmerisourceBergen, big distributor in the farmer realm that have agreed, conceptually, the consortium will protect the conversation. We'll have it. But we're looking for those use cases that we can work on in cyber that are for public private benefit. And that's probably one of them, is developing in a common alerting standard, that's safe if you will, for private sector. But it is going to be an ongoing thing, training. We've never really gotten heavy into it, but we're slowly being drawn into it, I think, because of our size of our network and the trust framework that we've built with companies.

Jim:

So Tom, you are aware a couple of days ago they signed it to law, a requirement for reporting cyber incidents to SISA?

Tom Moran:

Yeah.

Jim:

Yeah.

Tom Moran:

Well, as Ken Kildahl from Verizon said to me, "You know, Tom, this is a great idea. If we don't organize ourselves because government's going to organize us for ourselves." and you can't blame them, right? It's just a tough issue. Yeah. But no, I knew that was coming. I had heard, I didn't know was signed yet. When was it Jim? Just recently?

Jim:

I think March 11th or something, they signed it. So a few days ago. There's still a big issue on the public sector side also. Yeah. We've been hit with... In hospitals and 911 centers, all been hit with ransomware attacks and well, there's a lot of issues out there in cyber, but there is a reluctance on both the public and the private side to really let anyone know that they've been hacked.

Tom Moran:

Yeah. One other project we're working on now is with a company that's been with us for about a year called Reprivata. They sponsored our annual summit meeting last year. They have a technology that when deployed, basically it... The CIA developed it years, decades ago, and these guys have perfected it. It basically will allow any device invisible to hackers. So it reduces the outside threat. So I said, okay, big promise. Let's prove it. So they briefed a working group I pulled together of federal, state, ISAC people. They were like, "Holy crap, this is really interesting." They've been doing a pilot for us. I call it kind of cloaking technology. So you can cloak a group, you can cloak a portal or cloak teams. So it's very secure. You can cloak devices like phones and PC like that.

Tom Moran:

It just renders it invisible to the internet. It's really interesting. So we're cherry-picking these cyber things just because we don't want to do something somebody's already doing, we kind of operated on a mission. Let's do something unique that brings operational value that no one else is doing. So this is one of them here. Like I said, it's going to take... There's a lot here. I don't want to get all into it now, but there's a lot going on on the cyber front. And probably the last one I will mention is the training front.

Tom Moran:

Christie, I'm going to make outreach to you on this conversation I'm having with some of the other... Persia and some of the other liaisons. As part of the Institute, we took on an initiative for training. So the first initiative we started, Carlos did part of it's called Storm School.

Tom Moran:

We had six gentlemen retire from the electric sector. I call them... These are, Carlos is one of them, and his peers nationally recognized folks. And we spent every Thursday morning since last March building content for a curriculum called Storm School, it's out. We released it in January. If you go to stormschool.org, you can sign up for it and take the courses.

Tom Moran:

We're planning a live workshop, online workshop in May. May three and May five, I think is what it is. These are going to be fee-based. We are charging money for these now, right? For the live workshops, the online's free, the workshop will be we're charging like $499 for eight hours. So it's still a great deal to get six gentlemen going through this.

Tom Moran:

Preparedness is the first theme, then we'll do a response, mitigation, recovery. The emails just went out today to announce that. So we are now getting into our first fee-based workshop. And it's basically taking our experts, packaging what they know and putting that into a curriculum. Kelly, every time I talk about this, I think about you talking about going to Emmittsburg, talking about the FEMA training. And I had all these great people sitting in the chairs and he said to me, "You know, Tom, some of those guys in the chairs should be teaching this. Right?"

Tom Moran:

And that's what Storm School is. It's an online trade school of the folks that have done it. So Christie, we talked about what it's on the drawing board and this is for women in emergency management. And we've got an ocean of women coming into the emergency management. They're all in their twenties. They're young and Persia asked me, Tom, do you think Christie and Sherry Black, a few others would be interested?

Tom Moran:

And I said, "Well, I'll ask them." So I'll circle back around with you here. But we now have a platform and a mechanism to deliver it online and very exciting opportunity, nowhere near as big a revenue producer as, as Brick or something else. But I think it's going to be impactful to say that is to pass on the generational knowledge that all of you have to the next generation coming in and there's a lot of interest there. Any questions?

Jim:

Hey Tom, I just have a comment. When you brought up cyber, I think that there's still tremendous gaps on the grid. Not just for cyber though, even for physical attack or anything that could bring the grid down. Going back to conversations we had when Metcalf occurred about how difficult it would be to replace some of those pieces of equipment that were actually attacked out there. It's kind of dropped off the radar screen a little bit, but if Joe P was on here, whenever we did that exit 14 study...

Jim:

Power is the underlying resource that drives everything. I'm just throwing out. I think it was really one of the strengths of the consortium, in addition to fleet management and whatnot, but the fleet movement. But I think that a concentration on that is really important. And if we're going to look at cyber, I think it should be cyber in relation to the electrical grid.

Carlos:

Yeah. I'll speak for the industry. I know Chris may be tied up with this other call. The industry has been looking at it for years and I'm pretty sure they continue to look at it and they look at any large impact to their substations, both on a physical front and a cyber front. There's all these protective measures that have been put in place since Metcalf.

Carlos:

Metcalf was really showed the potential impact again, that also tied with communications, the Metcalf incident. No, they didn't just shoot the transformers. They cut telephones that went to a control center that was right next to the Metcalf substation. So all those measures and coordinations have been, and I think continue, in the industry and they're working with the federal and state partners. I'm pretty sure on a lot of that, especially transformer sharing for the... And I'm not talking a transformer that's on a pole I'm talking transformers and substation. There's a lot of efforts around that. And, and also other elements of a substation can be circuit breakers and switches and things like that. But it doesn't hurt to engage the partners continuously on this because you don't want to ever lose sight of it.

Chris:

Yep. I want to bit piggy-back on what Carlos said, this is Chris Eisenbrey from EEI. One of the areas that my group focuses on at EEI is the resiliency around that type of equipment. He mentioned spare equipment and whatnot. And a lot of the regulations are developed at the North American Electric Reliability Corporation or NERC.

Chris:

There's a standard called Cip 14 that came out of the Metcalf. So lots of work over the last 10 years. In fact, I've always said that one of the reasons... And there was a 60 Minutes piece, two weekends ago that dug up old information from about eight or nine years ago. But I've always said that I think the week that Metcalf took place was the same week as the Boston marathon bombing. So which one got the front page news that week?

Chris:

But yeah, to Carlos's point, lots of work has been done over the last decade on that, but it's an opportunity. We're talking about it generally on this call, but as an education, if someone's interested in learning more, we can go... EEI can set up a briefing and go into what the industry has been doing, working with the federal government and NERC to alleviate some of those concerns.

Chris:

So happy to maybe set something like that up for a future board discussion.

Carlos:

Okay.

Jim:

I think it's a good thing to do, Chris. I also think one of the gaps all the time, and I've seen this when the junkies were pulling the grounding wires out of things all over the New York metropolitan area, local police agencies are really who are on boots on the ground, and they are not usually involved in any of these conversations. So if you have like a critical component to the grid sitting in a municipality, usually no one knows about that at that municipal level.

Chris:

And that's the challenge, not shining a bright light on a critical component.

Jim:

I know it is a challenge because when I ran into my own problems with PSE and G asking a question about that.

Carlos:

No, but when I was in New York, I worked with New York City Emergency Management and NYPD and Westchester County to share with them those critical facilities. They knew those were sites that if something were to happen, they needed to be there right away. And we didn't go broadcasting it, but they knew some critical sites.

Ira:

Carlos, if I recall correctly, you made Calvin sign over his first board for that information.

Carlos:

We shared a lot of information with them. And we did, we shared a lot of detail network information and substation information.

Jim:

Well, security leadership at, at PSE and G's changed since then, but going back then, it was problematic to actually ask a question about it, and yeah, I don't think it's across the board that people understand it. And I think Conn Ed's always had a better relationship with... It's easier to have a relationship with NYPD than it is to have a relationship in Bergen County with 72 law enforcement-

Carlos:

72 towns. So definitely more different.

Jim:

Yeah.

Tom Moran:

Okay. Well, I think cyber's going to continue to grow. The trick is, Jimmy, finding what is our swim lane? What's our use case that we can zero in on. Education is always an interesting one, even if it's private type stuff. All right. I made a note of that one here, Chris, we can talk about that. Maybe just-

Jim:

Tom, just a thought, I... Yeah-

Tom Moran:

Yeah. Okay. So lastly, I think Mike Ambrosio wanted to set up a board meeting where we can take some dedicated time. Last time we met with the officers, we took a road trip to Philly. We spent, I think, three quarters of a day there. We got there in the morning. We left in the afternoon. So it was nice. I just want to throw that out for discussion. If we want to do it, we just need to begin scheduling it. Now, if everybody's comfortable doing it, if not, we could do a virtual, whatever works best.

Tom Moran:

I think this would be a good time to talk about where we are and what we're doing on these initiatives. And then get the board's thoughts on, like you said Kelly, the public private messaging. The good news is we have seniors coming into DHS that know who we are that want to meet you all. We had one scheduled for today, but she couldn't... Bridget couldn't... She got called because of all the stuff going on, shouldn't travel, but Bridget Bean is one of them. And she's the new Assistant Director at SISA Integrated Operations Division.

Tom Moran:

She thinks like we do, she's a problem solver and bottom up. And she was really excited when I invited her to speak here, but she couldn't do it. She wants to reschedule that meeting [crosstalk 01:24:19]

Ira:

Tom, it's Ira. I thought... Just talking about getting together in person, which I think is a great idea. Reminded me of that time we, a number of years ago, we did that ideation. I forget the organization left across, but I thought that was a great process for getting one to comment and getting thinking about some next steps. So I would definitely be up for incorporating a part of that.

Tom Moran:

We could do that. Absolutely great point. Comments or possible dates? We could do something over the summer.

Carlos:

For me, it sounds good because I get an opportunity to meet the folks that I don't know. And I get to know them a little better. And I think it's a good opportunity, now that they're relaxing things with the COVID, getting together. I think it's hopefully going to be more and more common than virtual. I'm okay with virtual, but I really don't prefer virtual. You lose a little bit with the-

Tom Moran:

Oh, we may have a window of time between... Over the summer. God knows what can happen in the fall.

Carlos:

You're so optimistic, Tom.

Mr. Galhart:

Yeah. And I'd be up for something in the summer time as well, Tom, if we can get it figured out.

Tom Moran:

Okay. Christie, comments or thoughts?

Christie:

Yeah. That sounds possible. Sounds possible. I would be... I am still apprehensive. I don't... it's a pandemic, who knows about pandemics? I've never lived through one before.

Tom Moran:

Well, that's why I want-

Carlos:

You can't say that anymore, but-

Tom Moran:

No, I-

Christie:

Yes, that's true.

Carlos:

The important thing is you did live through it.

Tom Moran:

That's true.

Christie:

So far. So far so good.

Tom Moran:

So it, to me live or virtual doesn't really matter. I just think that the time is... This is the time to do it. I think Mike's right. I think we could do a hybrid for those that are comfortable meet in person. We could do a half and half-

Carlos:

Hybrid.

Tom Moran:

Yeah. Hybrid. Thank you. Looking for the word. Did we lose? Did we lose Bud? Okay.

Bud:

I'm still here.

Tom Moran:

Oh, there we are. Thought we lost some... [crosstalk 01:27:06] Okay.

Bud:

I'm ready to go.

Tom Moran:

Okay.

Bud:

Got my bags, let me know where, I'll be there.

Jim:

Yeah, it's funny. Okay. Tom, Hyatt? Can't hear you, Tom.

Tom Moran:

Put me in too.

Jim:

Okay, good. All right. Chris Eisenbrey?

Chris:

Yeah. Business travel is started up again here at EEI, so, okay. I've got a couple trips under my belt in the last two months and-

Jim:

Okay.

Chris:

...hoping it continues.

Jim:

Okay.

Chris:

And I like Philly.

Jim:

All right. We'll kick around some things. I'll, I'll talk with John. We'll get, we'll get some thoughts together and pull it together. I think hybrid is good because I want to be respectful to everybody's feelings about travel. And I know for me, I've had one meeting in two years, Christie. One, and it felt really weird. I got to [inaudible 01:28:10]

Jim:

For me, I'm like, are you kidding? But my wife's a teacher. And if I do anything out of the ordinary every day, she answers this app question. If any of those answers are... "Has your spouse traveled?" I've had... "Yes."

Jim:

Okay. Now she's got to get a sub. It's a nightmare for her. I did. It's crazy now. Hopefully that'll lessen over, over the summer. Well, we can pick some dates and float it around. So that's the end of the agenda for now. Any new business, new things to put on their future agendas?

Christie:

All right. Well, I have. Tom, there is a new deputy director for our state's emergency management agency, and it's Dr. Matt Blackwood. And I believe you... He came to our meetings when he was with the Department of Agriculture.

Tom Moran:

I know Matt.

Christie:

Well, he's just been... I talked to him a couple of days ago and he has deep interest in the AHC. He is very... A GE McKay, as you recall, is the director. I don't know that he'll have time, but Matt is very, very interested in getting back involved with the AHC, which thrills me.

Tom Moran:

Wonderful. I got a call from David Hogue.

Christie:

Yay.

Tom Moran:

So David is the Homeland security director.

Christie:

Well, yes, kind of.

Tom Moran:

No, that's great. No, I remember Matt. Good guy. And I know, I know GE. That'd be great. I'll follow up with that.

Christie:

I'll do an email in introduction with you and Matt. So you'll have his address and he'll have all that.

Tom Moran:

Excellent. Okay. All right. Anybody else? Okay. I see Mr. Galhart's keeping the peace, so Kelly, we can, we can wrap it up.

Mr. Galhart:

Can I get a motion to adjourn?

Christie:

So made. [crosstalk 01:30:32]

Mr. Galhart:

How about a second?

Carlos:

Second.

Mr. Galhart:

All right, ladies and gentlemen. Thank you very much. We'll officially adjourn this board meeting. Thank you all for joining and have a great rest of your Tuesday.

Tom Moran:

Thanks.

Chris:

Have a good evening.

Ira:

Excellent.

Bud:

Thanks.

Mr. Galhart:

See you guys. Bye.

PART 4 OF 4 ENDS [01:30:56]