



## ***DCU BULLETIN***

***Division of Credit Unions***

***Washington State Department of Financial Institutions***

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### **Important Points Relating To Year 2000**

#### **Y2K Compliance Timetables**

Credit union managers and directors should review the following important dates relating to Y2K compliance. Please keep in mind that credit unions that fail to meet these benchmarks may be subject to additional regulatory enforcement action.

<b>DATE</b>	<b>LEVEL OF PROGRESS</b>
September 30, 1998	Credit unions should be in the Y2K testing phase on all mission-critical systems, as reflected on their NCUA quarterly Y2K reports for the third quarter
December 31, 1998	Credit unions should have substantially completed testing of all mission-critical systems; only minor follow-up questions should remain open
June 30, 1999	Credit unions should have finished testing of all systems
July 31, 1999	Credit unions should have fully implemented all systems, as reflected on their next NCUA quarterly Y2K report

In addition, credit unions that have failed to report to the Division by October 16, 1998 that they have implemented the Division's Y2K exam recommendations may be asked to enter into a Y2K Mutual Action Plan with the Division.

#### **Business Resumption Planning**

Credit unions are now directing attention to Business Resumption Contingency Planning - what to do if some unforeseen circumstance, such as loss of power, forces the credit union into new modes of operation.

The NCUA guidance on this subject is found in 98-CU-12, Business Resumption Contingency Planning. A copy of this Letter was previously distributed to all credit unions by the NCUA or the Division. Letter 98-CU-12 expands upon information given in 98-CU-2.

Adequate planning for business resumption is an essential element of a credit union's planning for Y2K. The Board and senior management of each credit union should consider the unique circumstances of the credit union and develop such plans as may be appropriate. Please take this area of your planning seriously and begin to develop your written plans now.

### **Quarterly Report To DCU Concerning Completion Of Testing**

After completion of testing of all mission-critical systems, credit unions should include the following items in the next quarterly Y2K report to the Division:

- Copy of the current Communications Plan
- Copy of the current Contingency Plan, including the Liquidity Plan and Business Resumption Plan (see above)
- Copy of the testing documentation

In addition, after completion of testing, credit unions should indicate on their next NCUA quarterly Y2K report that all mission-critical systems are 100% tested or, if appropriate, 100% implemented.

### **Utility Industry Contacts**

Credit unions have expressed concern that various utilities may not be Y2K-ready. Some credit unions have been unable to contact knowledgeable persons at the utility companies to obtain adequate information.

The DFI has been in contact with the Washington Utilities and Transportation Commission (UTC) concerning the utilities' Y2K-readiness. Bear in mind that the UTC regulates only investor-owned companies, which represent less than half of the utility companies. The UTC is monitoring the progress of regulated utilities on their Y2K projects.

The following are the contacts at the UTC and the utility companies regulated by the UTC. UTC contacts should only be used in the event that inadequate responses are received from individual utility companies.

### **UTC Contacts on Y2K**

### **Telecommunications**

Tom Spinks  
(360) 664-1289  
[tspinks@wutc.wa.gov](mailto:tspinks@wutc.wa.gov)

### **Energy-Electric**

Doug Kilpatrick  
(360) 664-1303  
[dkilpatr@wutc.wa.gov](mailto:dkilpatr@wutc.wa.gov)

### **Energy-Gas**

Mert Lott  
(360) 664-1312  
[mlott@wutc.wa.gov](mailto:mlott@wutc.wa.gov)

### **Utility Industry Y2K Contacts**

#### Puget Sound Energy

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