

June \_\_, 2010

Mrs. Susan Hudson, Clerk  
Vermont Public Service Board  
112 State Street  
Montpelier, VT 05620

RE: Response to Board's 5/17/10 memo on VSPC Evaluation  
of Docket 7081 planning structure

Dear Mrs. Hudson:

The purpose of this filing is to submit Vermont System Planning Committee (VSPC) comments on the two questions posed by the Board in its May 17, 2010, memo regarding the VSPC Evaluation of the Docket 7081 planning structure.

**Clarification of the public member cost allocation methodology**

In its evaluation of the Docket 7081 Planning Structure (Evaluation Report) filed December 23, 2009, the VSPC recommended that the Public Service Board be asked to modify the cost allocation methodology for public member expenses to be consistent with the allocation of other VSPC operating expenses. As noted in the evaluation, the very small amounts of expense reimbursement in question do not justify establishing a separate accounting system to track public member expenses when the method used for all other VELCO cost allocation produces a very similar result. (Evaluation Report, p. 15-16.)

The VSPC by this letter formally requests that the Board approve cost allocation by VELCO, which is charged with administrative support of the VSPC process, in the same manner as other operating costs, using the PDP method established under the Vermont Transmission Agreement. If the Board wishes the VSPC to file a formal petition for this action, one of the Docket 7081 MOU signatories will make such request.

**Closure of Docket 7081**

As noted by the Board, the Evaluation Report recommended keeping Docket 7081 open to deal with CEII disputes and other process changes. The Board's May 17 memo points out important reasons why leaving the docket open may not be best way to achieve the VSPC's identified need for a forum to resolve future issues related to process established in the Docket 7081 MOU. The VSPC particularly acknowledges the potential value of some form of Board staff participation in the VSPC process, which could be enabled by closing the docket. Second, the VSPC has repeatedly faced the notice issues that arise when communicating about matters that remain under the auspices of a long-resolved but still-open docket. For these reasons, the VSPC supports closure of Docket 7081 at this time. Should issues arise related either to CEII or changes to the VSPC process, the VSPC or its members will request Board action in the applicable manner.

Sincerely,

Deena L. Frankel  
VSPC Secretary