

Vermont System Planning Committee  
Geotargeting Subcommittee  
January 20, 2015  
Draft #2 Meeting Summary

In Attendance:

TJ Poor, PSD  
Gillian Eaton, VEIC  
Steve Litkovitz, GMP  
Deena Frankel, VELCO  
Kim Jones, GMP  
Bill Powell, WEC

Agenda:

- Agenda review
- Review and approval of the September 19, 2014 meeting minutes
- GMP update on the Rutland Reliability Plan
- GMP update on the Hinesburg area
- Deena's report from NEEP
- Next steps

Discussions:

- Review and approval of the September 19, 2014 meeting minutes
  - Comments have been received on the draft September 19, 2014 Geotargeting Subcommittee meeting minutes from Melissa Bailey and Hantz Presume'. These comments will be incorporated into the draft minutes and the final draft minutes will be posted to the VSPC website.
- GMP update on the Rutland Reliability Plan
  - GMP has engaged VEIC to perform an energy efficiency resource assessment for this area. A recent kick-off meeting between GMP and VEIC was successful. GMP has provided the customer data needed for VEIC to begin its analysis. A draft report is due March 11<sup>th</sup>. By April 1<sup>st</sup>, GMP will be in a position, in its reliability plan, to report on energy efficiency, various GMP initiatives in the Rutland area, and next steps.
  - GMP went out to bid for a generation resource assessment of the area. No bids were received. GMP subsequently simplified the scope of the RFB by removing the bio-gasification portion and re-issued the RFB in October 2014. GMP received one bid from Essex Partnership, containing a prohibitively high cost. This work was not awarded. GMP has a strategy meeting next week to discuss next steps.
  - The total area resource gap is about 4.2 MW in the central Rutland area and 8.4 MW for the wider Rutland area.

- The Stafford Hill project will be available as a resource. GMP is also establishing a microgrid project. Water heater control using Rate 3 and ripple technology may also be available to shift peak. These programs together with energy efficiency may be sufficient to close the relatively small gap.
  - VEIC and GMP are considering a program for leased heat pump technology water heaters that could also provide benefits.
  - GMP stated that with available operational measures, and the presence of older gas turbines, it may propose moving forward with some small amount of risk to an N-1 condition. Given that the traditional T&D solution would require 18 months to two years to develop, time may be available for alternative measures to provide value. GMP also notes that, over time, the size of the resource gap in the area has decreased rather than increase.
  - With the cancellation of the Grandpa's Knob wind farm project, the cost of the traditional T&D solution, namely a new 115 kV to 46 kV transformer at the VELCO West Rutland substation, decreases from approximately \$20M to about \$10M. Some of these costs may be PTF.
  - It is important that the reliability plan, due April 1<sup>st</sup>, determine whether standard offer resources above the gap would provide sufficient benefits. The group's conclusion was that that given the resources already in development, the low cost of energy efficiency, and GMP's plan to employ operational procedures in the unlikely event of an N-1 occurrence during high load periods, that no gap exists for which standard offer resources would be viable.
  - PSD advises that GMP's strategy be filed as a "reliability plan." It is acceptable that a reliability plan include continued monitoring of the area as energy efficiency, alternative programs, and load growth develop.
  - PSD asked if this strategy would stifle a possible large new customer in Rutland. GMP states that this would not be the case as N-0 capacity is not the issue. Therefore, GMP would likely issue an ability-to-serve letter and reassess the larger reliability risk as required.
  - Preliminary results of VEIC's analysis together with GMP's plans and results to date for the rate 3 water heaters, heat pump water heaters, Stafford Hill, microgrid, and any other Rutland area efforts will be provided at a March 18<sup>th</sup> conference call.
- GMP update on the Hinesburg area
- With encouragement from the PSD, GMP re-examined available protection strategies for the Hinesburg area. GMP has determined that distance relaying will work to address protection concerns. The cost is relatively modest at \$20k. (The cost of 34.5 kV to 12.47 kV substation is approximately \$6M.)
  - The Hinesburg area system is weak with poor voltage regulation and motor starting issues. The addition of solar to this system would be difficult.
  - The area has about 2 MW of available capacity.

- After reassessment, GMP now believes that the Hinesburg area may be appropriate for the application of “smart” technologies. GMP will hire RES Americas to provide an analysis.
  - GMP has no plans to build a substation until analysis by RES Americas is completed. The annual deferral value for avoiding a substation is approximately \$600k per year.
  - GMP will provide an update of the Hinesburg area to the subcommittee in October, 2015.
- Deena’s report from NEEP
- Deena recently attended the Northeast Energy Efficiency Partnerships (NEEP) annual meeting and joined a panel discussion regarding the effectiveness of geotargeting in avoiding and deferring T&D infrastructure.
  - There are significant efforts taking place across the country, not just in Vermont. What appears to distinguish Vermont’s approach is the structured process in place to ensure that GT gets fair consideration.
  - ConEd employs very sophisticated tools to densely populated areas of New York City. ConEd engages both energy efficiency professionals and engineering planners as a team, early in the process, to ensure consideration of geotargeting.
  - Deena will circulate the ConEd presentation.
- Next steps
- Conference call; March 18, 2015; 9:00 – 11:00.