

October __, 2017

Judith C. Whitney, Clerk
Vermont Public Utilities Commission
112 State Street
Montpelier, VT 05620

Re: Vermont System Planning Committee reliability plan and energy
efficiency geotargeting recommendations

Dear Ms. Whitney:

The Vermont System Planning Committee (VSPC) respectfully submits its recommendations for geographic targeting (GT) of energy efficiency as requested by the Public Utilities Commission (PUC)¹, and the need for reliability plans in accordance with the Docket 7873 & 7874 Attachment II, Screening Framework and Guidelines for Implementation of 30 V.S.A. § 8005a(d)(2). These recommendations were developed by the Geotargeting Subcommittee (GTS) of the VSPC and were adopted by the VSPC at its quarterly meeting on October 18, 2017. The consolidated recommendations including both energy efficiency geographic targeting and the identification of areas requiring new reliability plans is consistent with the process improvements that were approved by the Commission on January 24, 2014 (EEU-2013-11).

SUMMARY

We make three recommendations in this letter:

1. No newly identified area “screens in” using the applicable screening tools for the potential to be resolved with non-transmission alternatives.
2. With regard to the status of current geographically targeted energy efficiency, no area is currently targeted, thus, no recommendation is needed regarding continuation or discontinuation of a current project.
3. No new areas have been identified where geographically targeted energy efficiency has the potential, as defined by the applicable screening tool, to cost-effectively avoid or defer an infrastructure project, so no new geographical targeting of energy efficiency should be undertaken. One reliability plan is currently in place addressing the Green Mountain Power (GMP) Hinesburg Area, but as described in previous filings, the needs of the system in this area cannot reasonably be addressed with geographically targeted energy efficiency.

Each of these recommendations is supported below.

¹ Pursuant to EEU-2010-06 Public Service Board Order of 2/16/2012, p. 6.

RECOMMENDATION 1—NEW RELIABILITY PLAN

Recommendation summary: In the VSPC's 2017 annual review of identified reliability issues, no utility identified an issue that screened in for the potential to be resolved with a non-wires solution. Therefore, no new reliability plans are recommended.

Rationale for the recommendation

Paragraph 1 of the Docket 7873 & 7874 Attachment II, Screening Framework and Guidelines for Implementation of 30 V.S.A. § 8005a(d)(2) states that:

The Vermont System Planning Committee ("VSPC") processes, reporting mechanisms, public engagement, and subcommittees shall be utilized for the purpose of making recommendations to the Public Service Board ("Board") regarding constraints within the electric grid, and the potential for non-transmission alternatives ("NTAs"), including new Sustainably Priced Energy Enterprise Development ("SPEED") standard-offer plants, to mitigate those constraints, pursuant to 30 V.S.A. § 8005a(d)(2).... The VSPC shall make its recommendations to the Board no later than January 1 of each year², or more frequently if constraints are identified or analysis is completed mid-year.

This filing, and the process by which it was developed, are designed to fulfill the requirement of the quoted paragraph.

The screening framework provides that transmission and distribution (T&D) constraints shall be screened for their potential to be resolved by non-transmission alternatives using the NTA screening tool adopted by the VSPC pursuant to the Docket 7081 Memorandum of Understanding. Distribution constraints are screened for NTA potential using the screening tool established in Docket 6290. The host utility may use either screening tool to screen sub-transmission constraints. A constraint that "screens in" using the appropriate tool requires a reliability plan be filed by the utility by April 1 following the January 1 due date of the VSPC recommendation (or more frequently if constraints are identified or analyzed mid-year).

The Geotargeting Subcommittee (GTS) of the VSPC obtained reports from all utilities to identify any areas that screened in. No new load growth-related project was identified by any utility.

RECOMMENDATION 2—NO AREA IS CURRENTLY GEOGRAPHICALLY TARGETED

Recommendation summary: With regard to the status of geographically targeted energy efficiency, no area is currently the focus of current geotargeting efforts, thus, no recommendation is needed regarding continuation or discontinuation of a current project.

² Subsequent to the order quoted here, the VSPC made various process improvements to harmonize the energy efficiency geographic targeting process with its Docket 7873/7874 Screening Framework obligations. The process improvements resulted in an earlier (October 30) filing date for this letter, which fulfills the quoted "no later than January 1 of each year" requirement.

RECOMMENDATION 3—NO NEW AREAS WARRANT GEOGRAPHICALLY TARGETED ENERGY EFFICIENCY

Recommendation summary: No new areas have been identified where geographically targeted energy efficiency has the potential, as defined by the applicable screening tool, to cost-effectively avoid or defer an infrastructure project, so no new geographical targeting of energy efficiency should be undertaken. One reliability plan is currently in place addressing the Green Mountain Power (GMP) Hinesburg Area, but as described in previous filings, the needs of the system in this area cannot reasonably be addressed with geographically targeted energy efficiency.

Rationale for the recommendation

Currently, one area of the state is subject to a reliability plan: the GMP Hinesburg area. GMP's plan, filed with the PUC on October 1, 2016, states and supports the following conclusion:

The energy efficiency study performed by VEIC showed very limited potential for load reduction with geographic targeting. These potential load reductions were not substantial enough to ward off additional upgrade requirements. (GMP Hinesburg Reliability Plan, 10/1/2016, p. 13.)

In its order dated March 3, 2017, regarding the Vermont System Planning Committee 2016 Reliability Plan and Energy Efficiency Geotargeting Recommendations, the PUC adopted the VSPC's recommendation that the Hinesburg reliability issue cannot be resolved with new geographically targeted energy efficiency.

Reliability plans were previously filed for St. Albans and Rutland, but subsequent analysis showed that the needs in these two areas now arise beyond the 10-year horizon. GMP continues to monitor these areas.³ GMP has received a CPG for the upgrades recommended in the Rutland Area Reliability Plan, including: permanent closure of the normally-open 46 kV B7 tie at West Rutland; Florence-West Rutland 46 kV line reconductoring; West Rutland-Marble Street 46kV line reconductoring; and permanent closure of the normally-open (second) Rutland-West Rutland 46 kV line with reconductoring. These upgrades are scheduled for completion in 2018.

Given the foregoing overview of previously identified areas, and the absence of a new area requiring a reliability plan, the VSPC concludes that no area of the state warrants new geographically targeted energy efficiency to avoid an infrastructure project.

³ The supporting analysis for considering the St. Albans reliability plan inactive is reflected in GMP's St. Albans Reliability Plan filing with the Board dated February 7, 2014. The rationale for considering the Rutland area reliability plan inactive is reflected in the Vermont Long-Range Transmission Plan filed with the Board on June 25, 2015. In both cases, updated analysis showed that the deficiencies arise beyond the 10-year horizon at projected load levels for the areas.

CONCLUSION

The VSPC respectfully submits the foregoing recommendations and welcomes questions from the Commission.

Sincerely,

Deena L. Frankel
VSPC Secretary

cc: VSPC Distribution List

DRAFT