Vermont System Planning Committee
Geotargeting Subcommittee
October 10, 2017
Meeting Summary —DRAFT

In Attendance:

Gillian Eaton, VEIC
Deena Frankel, VELCO
Kim Jones, GMP
Mellissa Bailey, VPPSA
David Westman, VEIC
Hantz Presume, VELCO
Shana Louiselle, VELCO
Steve Litkovitz, GMP
John Woodward, PSD, Chair
Bill Powell, WEC
Eric Harrold, VELCO

Agenda:

Review and approval of the May 23, 2017 meeting minutes
Review and adoption of the VSPC annual GT recommendation letter to the PUC
NTA screening of the Barre Asset Condition Mitigation Project
Whether over-generation constraints should be within the purview of the GT Subcommittee
Next meeting date

Discussions:

- Review and approval of the May 23, 2017 meeting minutes
    - The most recent draft of the May 23, 2017 minutes was circulated by email. This latest draft is approved and will be posted to the VSPC website.

- Review and adoption of the VSPC annual GT recommendation letter to the PUC
    - The contents of the draft letter were briefly described by Deena.
    - A discussion was held as to whether the Rutland and St. Albans reliability plans are still "active." GMP described measures that can be taken in these areas if load growth does occur. However, at present, there are no reliability deficiencies in these areas to be addressed. For clarity, references to "active" reliability plans in the letter will be removed by Deena. Kim will propose alternate language.
    - Subject to these revisions, the letter is approved. Deena will distribute the revised letter to the full VSPC on October 11, 2017 for consideration at the next meeting of the full VSPC.

- NTA screening of the Barre Asset Condition Mitigation Project
  - Hantz Presume presented an overview of the Barre Asset Condition Mitigation Project.
  - The VELCO Barre substation was constructed in 1958 and contains a 115 kV to 34.5 kV transformer and two capacitor banks. VELCO has determined that the substation presently contains obsolete equipment, a rusted control house, circuit breakers that are beyond their useful life, and cracked foundations. VELCO desires to upgrade the substation to bring it to modern standards. The existing transformer would be reused and the overall capacity of the facility would remain unchanged. The conceptual cost estimate is for this project is $12.6 million.
  - Planned upgrades include a new control building, upgraded protection and controls, replacement of the oil circuit breakers, enabling of the transformer load tap changer, installation of passive oil containment, erection of a new 34.5 kV box structure, and changing the operational configuration of the 34.5 kV capacitor bank.
  - A temporary substation would be constructed nearby and used during construction.
  - GMP raised the question of the condition of the transformer, and whether this project presented an opportunity to replace the transformer with a new unit.
  - NTA screening by VELCO determined that this project addresses asset conditions and therefore screens out from further consideration for detailed NTA analysis. No concerns were raised with this screening by the subcommittee.

- Whether over-generation constraints should be within the purview of the GT Subcommittee
  - DPS raised the issue of whether the GT subcommittee should consider NTAs and least-cost solutions for areas, including SHEI, which are driven by excess generation and load deficiencies.
  - VEIC has performed a preliminary analysis indicating the potential for 3 MW to 10 MW of load growth in the SHEI areas.
  - GMP asked whether consideration of such areas is addressed by the Docket No. 7081 MOU. Consensus of the subcommittee is that such situations are not specifically addressed by the MOU as the issue is not a reliability deficiency as defined by the MOU and any solution would be an economic, not a reliability, project.
  - VELCO clarified that the engineering analysis work VELCO is currently doing related to SHEI is to support the ability of the affected utilities to evaluate potential infrastructure solutions, and VELCO will not be the decision-maker for purposes of solution selection.
  - VPPSA stated that the cost allocation of any solution to the SHEI issue may be a concern for some of its members.
  - The question was raised as to whether placing the VEC Newport block load onto VELCO would provide a cost-effective solution to the SHEI issue. Hantz stated that the VEC block load is approximately 10 MW to 12 MW at peak.
  - VEIC believes that consideration of NTAs for SHEI at the GT subcommittee is appropriate. VEIC states that the GT subcommittee members have the expertise,

perspectives, and experience to meaningfully analyze NTAs for this issue. VEIC states that discussions in this forum are preferable to having similar discussions in the context of a contested 248 proceeding before the PUC.

- GMP stated that it did not know, at this time, whether any mitigation measures would be brought forward for SHEI. It also stated that if a proposed measure required a CPG that it is fully aware that a least-cost analysis that includes NTAs would be a necessary part of its filing to the PUC. GMP believes that any discussion of NTAs for SHEI is premature at this time given the depth of analysis performed to date. GMP also stated that it was not sure that the GT subcommittee would be the preferred forum for such discussion and analysis.
- Presentation and discussion of the VELCO SHEI study is on the agenda for the October 18, 2017, quarterly meeting of the VSPC.
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- Next meeting date
  - No date has been set for a next meeting. The next meeting will be scheduled as the VSPC planning cycle or other need requires.