

V S P C

Vermont System Planning Committee

Draft Meeting Minutes January 24, 2018 Trader Duke's Hotel South Burlington, VT

The Vermont System Planning Committee (VSPC) held a regular meeting on January 24, 2018, at Trader Duke's Hotel, South Burlington, Vermont. Deena Frankel called the meeting to order at 9:35 a.m.

Steve Litkovitz moved approval of the October 18, 2017, minutes; Mike Wickenden seconded. The minutes were approved without objection.

Introductions

Participants introduced themselves. A list of attendees by sector appears on page 4 of these minutes.

Geographical Targeting Subcommittee

Ms. Frankel reported that the subcommittee did not meet this quarter, however, the Public Utility Commission (PUC) recently approved the VSPC's geographic targeting recommendations filed by in October 2017. The recommendations and approval are posted on the VSPC and PUC websites.

2018 VT Long-Range Transmission Plan review

Mr. Pr sum  provided an overview of the 2018 Vermont Long-Range Transmission Plan draft and solicited feedback from VSPC committee members. New to the plan are two scenario analyses evaluating (1) the impact of load growth associated with electrification to achieve the state's renewable energy goals, and (2) the projected effects of solar PV growth, as postulated by the Solar Pathways Report, to 1000MW of solar PV by 2050. The studies that, in the first instance, no peak load concerns emerge within the 10-year horizon, however, a high solar PV scenario revealed significant system challenges that will need to be managed with careful planning, upgrades, and other strategies in the extended 20-year outlook.

The committee agreed that informal comments by VSPC participants would be due no later than February 14, 2018, to be followed by a revised draft and the formal, written comment process by the end of the 60-day window (i.e., March 18, 2018) with the goal to have completed the VSPC review process and be ready for public comment in late March. VELCO will conduct public meetings for input to the draft plan in April and May and a final plan will be submitted to the PUC and Department of Public Service (DPS) no later than July 1, 2018. There were no objections to the schedule. VSPC staff will send an email to confirm these steps.

SHEI update

Doug Smith, Power Supply Director for Green Mountain Power (GMP), and James Gibbons, Director of Policy and Planning at Burlington Electric Department (BED), presented on the market implications of the Sheffield Highgate Export Interface (SHEI), explaining the impact to electric customers and the current status of solution evaluation. Generation resources inside the SHEI are limited in real time to ensure that system capacity is not exceeded in the event of a potential transmission outage. During periods of congestion within the SHEI, ISO-New England monitors the area and issues “Do Not Exceed” orders that require generation sources like Sheffield Wind and Kingdom Community Wind to curtail their output due to the lack of capacity to export power. Reduced generation output and lower locational marginal price payments affect all generation sources in the area and in some cases may increase costs to electric ratepayers. Over the past 18 months, GMP estimates a several million dollar net cost.

A complex evaluation of potential solutions is currently underway. VELCO conducted a study in 4Q2017 with Energy Initiatives Group (EIG) to identify a significant range of solutions. The process for broad solution evaluation will continue to involve stakeholders with periodic briefings to the VSPC and the PUC.

ISO New England update

Molly Connors, ISO New England (ISO-NE) External Affairs Representative, reported ISO-NE that has released its fuel security analysis, which examines more than 20 cases of generation and fuel-mix combinations projected for winter 2024-2025, and quantifies each case’s fuel security risk.

The 12th Forward Capacity Auction is scheduled to take place February 5, to procure resources for the 2021-2022 capacity commitment period.

On January 8, ISO-NE submitted for Federal Energy Regulatory Commission (FERC) approval its proposed market design, Competitive Auctions with Sponsored Policy Resources (CASPR). CASPR would change the Forward Capacity Market (FCM) in 2019 to accommodate state-sponsored policy resources, while preserving competitively based capacity pricing for other resources.

The Distributed Generation Forecast Working Group met on December 15, 2017, to discuss state renewable policies and future expectations for solar PV growth. The working group is scheduled to publish the 2018 Capacity, Energy, Load, and Transmission (CELT) report in May.

VSPC Annual Report review and approval

Ms. Frankel reported that the draft annual report has been sent to the full committee for review. Minor edits were suggested by Gillian Eaton and accepted by the group.

Mr. Litkovitz moved and Hantz Pr sum  seconded approval of the draft annual report as amended. The motion was adopted without objections.

[Note: the report was filed on January 29, 2018 and is available on the VSPC website.]

Renewable Energy Standard/Tier 3 Plans

The distribution utilities provided an overview of their 2018 Tier 3 annual plans.

Melissa Bailey reported that municipal utilities have a two-year delay in the deadline for Tier 3 participation, and that programs are currently being offered on a pilot base. The municipal utilities plan to implement programs such as electric vehicle rebates and are evaluating custom projects for commercial and industrial (C&I) customers.

Robert Dostis reported that Green Mountain Power (GMP) will continue to promote cold climate heat pump, electric vehicles, its eHome program and custom projects for C&I customers, with a greater focus on implementing programs in customer homes.

Bill Powell reported Washington Electric Cooperative (WEC) has implemented its “Button Up WEC” program to advance its Tier 3 targets including incentives for electric vehicles, cold climate heat pumps, heat pump water heaters, and pellet heating.

Lisa Morrison reported Vermont Electric Cooperative (VEC) offers the Clean Air Program that provides discounted electric infrastructure to off-grid or underserved homes and business. VEC is also promoting thermal and transportation measures, including cold climate heat pumps, heat pump water heaters, pellet stoves and electric vehicles. A water heater demand management program is under development for 2018.

Tom Lyle reported that Burlington Electric Department (BED) will continue to promote electric buses, electric bikes, electric vehicle/chargers, and cold climate heat pumps (to non-natural gas customers), with a greater focus on the deployment of electric buses and increasing overall transit bus ridership. BED anticipates 2-4 electric buses to be in operation by 2019. A reverse auction program is under development for 2018 to enable project developers to submit viable ideas that reduce fossil fuel consumption and greenhouse gas emissions.

Project updates

Connecticut River Valley: Mr. Pr sum  reported that VELCO completed the upgrades to the Hartford and Chelsea substation and the K31 line rebuild. Work on the Ascutney substation is underway and scheduled to be complete in 2018.

Northern Area: Mr. Pr sum  reported the area is being monitored and will be part of the 2018 Vermont Long Range Transmission study.

Rutland: Ms. Jones reported that Green Mountain Power anticipates transmission upgrades identified in the 2015 Rutland Reliability Plan to be complete by 2019.

Hinesburg: Ms. Jones reported that Green Mountain Power continues to monitor the area and is searching for property for future battery storage development.

Other VELCO projects

PV20: Mr. Pr sum  reported that VELCO has energized the new cables terminal station. The retired cables will be removed in summer 2018.

Structure Condition Improvement Project: Mr. Pr sum  reported that the project will replace aging structures and is currently replacing 100-200 structures per year.

Adjournment and next meeting

The meeting was adjourned at approximately 3:00 p.m. The next quarterly meeting is scheduled to be held from 9:30 a.m. to 4:00 p.m. on April 25, 2018, at the Middlebury Inn, Middlebury, VT.

ATTENDANCE

*Indicates voting member

**Indicates alternate

Public Sector

- *Michael Kirick (business rep)
- *Michael Wickenden (residential rep)

Transmission Utility (VELCO)

Hantz Pr sum , VELCO

Distribution Utilities Providing Transmission (GMP, VEC)

- *Steve Litkovitz, GMP
- *Cyril Brunner, VEC

Large Transmission-Dependent Distribution Utilities (BED, WEC)

- *Bill Powell, WEC
- *Munir Kasti, BED
- **James Gibbons, BED

Transmission Dependent Distribution Utilities (Municipals)

Melissa Bailey, VPPSA

Supply & Demand Resources

- *Dave Westman, VEIC
- **Jay Pilliod, VEIC

Non-Voting Members

Ed McNamara, DPS

Staff

Deena Frankel, VELCO
Shana Louiselle, VELCO

Guests

Bernadette Fernandes
Brian Evans Mungeon
Craig Kieny, VEC
Doug Smith, GMP
Eric Harrold, VELCO
Evan Forward
Gillian Eaton, VEIC
Jeff Forward
Jonathan Wilson, NextEra
Kim Jones, GMP
Lisa Morris, VEC
Lou Cecere, VELCO
Mark Sciarrotta, VELCO
Molly Connors, ISO-NE
Rip Kirby
Ryan Darlow, Farrell Energy
Scott Harding
Tom Lyle, BED