



**Meeting Minutes July
18, 2018
Capitol Plaza
Montpelier, VT**

The Vermont System Planning Committee held a regular meeting on July 18, 2018, at the Capitol Plaza Hotel, Montpelier, Vermont. Deena Frankel called the meeting to order at 9:35 a.m.

Steve Litkovitz moved approval of the April 25, 2018, minutes; Hantz Pr sum  seconded. The minutes were approved without objection.

Introductions

Participants introduced themselves. A list of attendees by sector appears at the end of these minutes.

Coordinating Subcommittee

Ms. Frankel reported that the Public Utility Commission had previously solicited interest in open public member seats on the VSPC. They subsequently received letters of interest, solicited public comment on the candidates, and appointed individuals to fill all public member positions. Notably, for the first time more people applied than there were seats available. On July 17, the PUC issued a press release to announce the appointments.

Geographical Targeting Subcommittee

Ed McNamara, Director of the Planning and Energy Resources Division of the Public Service Department (DPS), reported that there are presently no identified load-constrained areas that require geographic targeting of energy efficiency or distributed generation. At the last meeting of the subcommittee, the group discussed how to identify export-constrained areas. Though the governing documents of the VSPC do not address generation constraints, the group discussed the potential for the VSPC to implement some informal process to consider them. On behalf of DPS, Mr. McNamara expressed interest in the VSPC expanding its role in this regard, but stated that DPS is not suggesting any changes to the VSPC charter. Mr. McNamara will bring a draft proposal for considering generation constraints to the subcommittee.

Forecasting Subcommittee

Mr. Pr sum  reported that the next meeting of the subcommittee is expected to take place before the next VSPC meeting. Factors that affect load forecasting will be discussed, including energy storage.

2018 VT Long-Range Transmission Plan

Mr. Pr sum  provided an update on the status of the 2018 Vermont Long-Range Transmission Plan public outreach effort. This effort included public meetings in Brattleboro and Montpelier, presentations to five regional planning commissions (RPCs), a webinar for Renewable Energy Vermont (REV) members, and a planned presentation to the Rutland RPC in September. The Plan was updated to incorporate comments, as well as a new table to show the optimized distribution of solar by RPC, with comparison to RPC renewable power targets. It showed that these targets were generally higher than the existing system capacity found in the optimized distribution. Members noted that there is a gap between the transmission planning process and the regional energy planning process, and that current siting mechanisms do not address grid constraints. DPS representatives noted that they expect Vermont to adopt the ISO-NE Source Requirements Document as part of the IEEE 1547 implementation process.

Regional Update

Molly Connors, ISO New England External Affairs liaison for Vermont, reported that ISO-NE is now the first Regional Transmission Organization in the country to allow price-responsive demand to participate in all markets. Additionally, the NEPOOL Markets Committee approved the first round of battery integration policies to achieve compliance with FERC Order 819. ISO was denied a waiver from FERC to create a cost of service agreement with two liquid natural gas (LNG) fired generating plants at the Mystic station that had requested retirement. Instead, FERC asked that ISO make changes to its tariff that would allow such cost of service agreements; however, Mystic may receive a cost agreement by a different path with FERC.

Policy Updates

Mr. McNamara provided an update on legislative and policy proceedings. Both the PUC and the PSD are to report to the legislature on the status of existing and proposed generation in the Sheffield Highgate Export Interface (SHEI). The Joint Fiscal Office is to draft a decarbonization policy report, which will be due to the legislature by January 15. The Governor's Climate Action Commission report was scheduled to be released by the end of July, and was published to the Agency of Natural Resources website on July 31. The ANR released its greenhouse gas inventory for 2015 report in early July; the findings show that heating and transportation emissions increased considerably from previous years. Efficiency Vermont is working with interested customers to evaluate the use of energy efficiency funds for thermal efficiency, energy storage, and demand response; the Agency of Commerce and Community Development has created energy productivity measures to determine the net impact of such energy transformation devices. Finally, the PUC has opened a case to investigate promotion of EV ownership, and has opened a docket to review the Standard Offer program, with the first workshop scheduled for August 2.

Energy Action Network Annual Report

Jared Duval, Executive Director of the Energy Action Network, presented the EAN annual report. The report examines progress needed in the transportation, thermal, and electric sectors to meet Vermont greenhouse gas reduction goals, and outlines means by which these goals can be achieved. Emissions from the electric sector have decreased over the past few years, reaching 43% source energy renewability; however, the transportation and thermal sectors have lagged behind, at 5% and 20% renewability, respectively. Mr. Duval noted that, with the new data provided by the ANR greenhouse gas inventory for 2015, the projections for drivers to meet Vermont's 2025 milestones are likely to increase significantly in future analysis.

Project Updates

Hinesburg: Kim Jones, Manager of Transmission and Distribution Planning for Green Mountain Power, reported that, because loads have not increased as expected, the battery energy storage system (BESS) at Hinesburg to address peak load concerns is not currently necessary for reliability. However, GMP will consider installation of a dynamic reactive power device at Hinesburg, and intends to pursue the installation of a BESS at Hinesburg in the future.

Substation Condition Assessment Program: Mr. Pr sum  reported that VELCO is assessing the need for upgrades at several stations and upgrading others as part of the Substation Condition Assessment Program (SCAP). Work at the St. Albans substation is expected to be completed by November, and work at the Barre substation is expected to be completed by next fall, provided the PUC grants a CPG this summer. The Berlin and Sand Bar substations are both currently undergoing assessment.

Merchant elective transmission upgrades: Mr. Pr sum  reported that there has been no recent activity regarding merchant Elective Transmission Upgrade (ETU) projects proposed in Vermont. In mid-June, the state of Massachusetts signed a contract with the New England Clean Energy Connect project, an HVDC ETU from northwestern Maine to southwestern Maine.

Sheffield Highgate Export Interface

Kamran Hassan, electrical engineer for GMP, gave an update on the status of the SHEI working group. Consisting of representatives from the electric utilities, the group has created cost estimates for power system solutions evaluated in a study by Energy Initiatives Group (EIG) contracted by VELCO in 2017. Further refinement of estimates for battery storage solutions are pending. The working group has discussed the potential for improvement of system performance by implementing transmission line ambient ratings, and the installation of an Automatic Voltage Regulator (AVR) at the Sheldon Spring hydro plant GMP is pursuing. Craig Kieny, Manager of Power Planning for Vermont Electric Cooperative, added that the Vermont distribution utilities have talked with Hydro Quebec (HQ) regarding the Highgate contract. However, this is a must-take contract, and so there is little interest in modifying the contract at this time. Preliminary economic impact to determine the financial impact to the DUs of generation curtailment in the SHEI indicated losses of several million dollars.

Attendance

* Indicates voting member

** Indicates alternate

Public Sector

- *Michael Wickenden, residential representative
- **Tim Duggan, residential alternate
- *Michael Kirick, commercial representative
- **Jeff Forward, commercial alternate
- *Johanna Miller, environmental representative
- **Sandra Levine, environmental alternate
- *Taylor Newton, planning representative

Transmission Utility (VELCO)

- *Hantz Pr sum , VELCO

Distribution Utilities Providing Transmission (GMP, VEC)

- *Steve Litkovitz, Green Mountain Power
- *Cyril Brunner, Vermont Electric Cooperative

Large Transmission-Dependent Distribution Utilities (BED, WEC)

- *Tom Lyle, BED
- *Bill Powell, WEC

Transmission Dependent Distribution Utilities (Municipals)

Melissa Bailey, VPPSA

Supply & Demand Resources

- *Dave Westman, Efficiency Vermont
- **Jay Pilliod, Efficiency Vermont

Non-Voting Members

Ed McNamara, Department of Public Service

Staff

Deena Frankel, VELCO
Lou Cecere, VELCO

Guests

Rachel Bowarko, DPS
Molly Connors, ISO New England
Ryan Darlow, VERA
Jared Duval, Energy Action Network
John Flynn VELCO
Scott Harding, RLC Engineering
Eric Harrold, VELCO
Kamran Hassan, GMP
William Jerome, VT Solar Farmers
Craig Kieny, VEC
Dan Kopin, Utility Services
Anne Margolis, DPS
Derek Moretz, Encore Renewables
Mark Sciarrotta, VELCO
Johnathon Willson, NextEra