



**Draft Meeting Minutes
October 17, 2018
Holiday Inn
Rutland, VT**

The Vermont System Planning Committee (VSPC) held a regular meeting on October 17, 2018, at the Holiday Inn, Rutland, Vermont. Shana Louiselle called the meeting to order at 9:33 a.m.

Bill Powell moved approval of the July 18, 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.

Regional Update

Molly Connors, ISO-New England External Affairs Representative, reported that the Consumer Liaison Group (CLG) will nominate and elect new members of the governing Coordinating Committee at the December 6 quarterly meeting and encouraged interested CLG members to submit applications. The CLG is a forum for the exchange of information between ISO-NE and New England electricity consumers. Topics of discussion range from the ISO's activities and decision-making processes and the potential cost impacts of its decisions and initiatives on consumers.

ISO-NE continues to address fuel security concerns with proposals to FERC for short- and long-term solutions. On a short-term basis, ISO-NE proposed tariff revisions to provide cost-of-service agreements with FERC by resources retained for fuel-security reasons. The long-term solutions to improve winter energy security will be filed with FERC by July 1, 2019, and will focus on minimizing risk of unserved electricity demand during cold winter conditions, emphasizing existing assets and infrastructure, and incenting new resources and innovative technologies.

In June, ISO-NE integrated the new "pay-for-performance" capacity market rules to allow transfers of capacity revenue from under-performing resources to over-performing resources during scarcity conditions, providing strong incentives for resources to perform when needed. New England experienced its first capacity scarcity event under the new rules on September 3, which triggered charges and credits to under-performing and over-performing resources, respectively. The payment rate is set at \$2,000/MWh, rising to more than \$5,000 in 2024.

Geographical Targeting Subcommittee

Ms. Louiselle reported that the Geographical Targeting Subcommittee reviewed the geotargeting recommendation letter to the Vermont Public Utility Commission (PUC). Ms. Louiselle reviewed the

draft letter, included in the VSPC packet, and asked for questions and comments before moving to approval of the draft as distributed. The recommendations will be filed with the PUC by November 1, 2018. [Note: the letter was filed on October 29, 2017.]

Steve Litkovitz moved and Dave Westman seconded approval of the GT recommendations, which were approved without objection.

Mr. McNamara noted that he intends to draft a proposal letter for consideration by the subcommittee concerning the potential to adapt the Geotargeting Subcommittee to serve as a forum for discussion of generation constraints.

Forecasting Subcommittee

Mr. Pr sum  reported that the Forecasting Subcommittee will meet on November 8 to elect a new chair, review the charter, and continue discussion on topics such as energy storage, smart grid devices, electric vehicles, and advanced metering infrastructure (AMI) data as it relates to the next forecast. The subcommittee intends to convene more regularly in the year leading up to each long-range planning cycle to have sufficient time to evaluate forecasting scenarios that identify reliability and economic considerations.

Coordinating Subcommittee

The next VSPC quarterly meeting is scheduled for January 23 at Trader Duke’s in South Burlington. The Middlebury Inn and the Capitol Plaza are not available for the April and July 2019 quarterly meetings; therefore, the meeting locations have been changed to Middlebury College and the Trapp Family Lodge in Stowe. The 2019 VSPC meeting schedule is as follows:

January 23, 2019—Trader Duke’s Hotel, South Burlington

April 24, 2019—Middlebury College, Kirk Alumni Building, Middlebury

July 17, 2019—Trapp Family Lodge, Stowe

October 16, 2019—Holiday Inn, Rutland

Ms. Louiselle invited new public members and others interested participants to an orientation to the VSPC process. The concept received positive feedback from the committee. VSPC staff will create a preliminary agenda and schedule the session.

Sheffield-Highgate Export Interface Working Group

Doug Smith, Power Supply Director for Green Mountain Power, provided an update on the status of the SHEI working group. GMP has been working with Enel to install and test voltage control equipment at the Sheldon Springs hydro facility to increase the SHEI export limit. Future work to increase the SHEI export capacity will include quantifying alternate revenue streams for contemplated projects, and consideration of funds previously committed for asset condition work on relevant facilities. Vermont Electric Cooperative has held discussions with Efficiency Vermont to determine what demand-side options are available to reduce curtailment, which could include load building or load shifting.

Utility of the Future presentation

Gabrielle Stebbins, Senior Consultant for the Energy Futures Group, presented an analysis on Tier III of Vermont's Renewable Energy Standard (RES), and potential utility actions to comply with the standard. She offered information regarding expected energy savings, cost savings, and rate impacts of various scenarios centered on different energy transformation technologies. The full presentation is available in the meeting materials.

Vermont Weather Analytics Center update

Mary Coombs, Project Manager for Vermont Electric Power Company, reported on the status of the Vermont Weather Analytics Center (VWAC) and Utopus Insights (UI). Solar PV model forecasting remains a focus of the project team, and accuracy rates continue to increase. Items from the Joint Development Agreement (JDA) are to be closed out by December 1. Due to feedback from users, a seven-to-ten day weather forecast and improvements to the user portal will be included in the upcoming Strategic Partnership Agreement (SPA).

Policy updates

Mr. McNamara provided an update on Public Utility Commission policy proceedings. On August 7, the PUC held a workshop for the docket on restructuring the Standard Offer program, with many comments filed in response. The Department of Public Service has recommended ending the program and substituting an approach in which utilities would bid out capacity to replace part of their Tier II required resources. The PUC is also looking into updating Vermont's approach to energy efficiency utilities, including costs of administrative activities and demand response plan proceedings. Also under consideration will be collaboration between distribution utilities and efficiency utilities, as well as a potential expansion of responsibility to include beneficial electrification. The investigation into electric vehicles (EVs) already underway has yielded initial comments on how the docket should be structured, and the PUC has held a preliminary workshop. An issue for further evaluation is the scope of regulation on EV charging stations.

Ms. Louiselle described the recent activities of the Regional Utility Group (RUG), which has focused on identifying commonalities in opinion among Vermont stakeholders on regional issues. The group met recently to discuss the Mystic cost of service agreement and ISO-NE fuel security concerns, and will likely meet again in the coming months to examine future ISO market design proposals.

Project updates

Hinesburg: Mr. Litkovitz reported that the battery energy storage system (BESS) at Hinesburg will move forward as a first step, and a combined substation with VEC would follow it if deemed necessary. GMP plans to install a DVAR, which is a type of dynamic reactive power device, to address voltage concerns on a feeder at the Hinesburg substation.

PV-20 cable replacement: Mr. Pr sum  reported that the PV-20 cable replacement project was completed successfully. Four new cables were installed, with three energized and one left as a spare. The cables connect the VELCO Grand Isle terminal to the NYPA Cumberland Head terminal.

Merchant elective transmission upgrades: Mr. Pr sum  reported that the Vermont Green Line project, proposed by National Grid three years ago and since put on hold, has returned to the ISO-NE

interconnection queue in response to an upcoming request for proposal (RFP) from Connecticut. Carrying 400 MW, the HVDC line would originate from the Plattsburgh, NY, substation, run under the lake from Beekmantown, NY, to Ferrisburgh, VT, and then to a converter station at the VELCO New Haven substation. Contractual obligations between National Grid, Connecticut, and Vermont would resemble those between TDI, Massachusetts, and Vermont established for the New England Clean Power Link project. Mr. McNamara noted that the Millstone nuclear units are expected to be awarded with a portion of the RFP, pending their classification as renewable in Connecticut.

Adjournment and next meeting

The meeting was adjourned at approximately 2:30 p.m. The next quarterly meeting is scheduled to be held from 9:30 a.m. to 4:00 p.m. on January 23, 2019, at the Trader Duke's Hotel, South Burlington.

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Attendance

* Indicates voting member

** Indicates alternate

Public Sector

- *Michael Wickenden, Residential representative
- **Tim Duggan, Residential representative
- *Michael Kirick, Commercial representative
- **Jeff Forward, Commercial representative
- *Johanna Miller, Environmental representative
- *Taylor Newton, Planning representative

Transmission Utility (VELCO)

- *Hantz Pr sum , VELCO

Distribution Utilities Providing Transmission (GMP, VEC)

- *Steve Litkovitz, GMP
- *Craig Kieny, VEC

Large Transmission-Dependent Distribution Utilities (BED, WEC)

- *Munir Kastj, BED
- *Bill Powell, WEC

Transmission Dependent Distribution Utilities (Municipals)

- TJ Poor, VPPSA

Supply & Demand Resources

- *Dave Westman, EVT
- *Nathaniel Vandal, Supply representative

Non-Voting Members

- Ed McNamara, PSD

Staff

- Shana Louiselle, VELCO
- Deena Frankel, VELCO
- Lou Cecere, VELCO

Guests

- Molly Hooker Hatfield, VELCO
- Tom Dunn, VELCO
- Doug Smith, GMP
- Molly Connors, ISO-NE
- Eric Harrold, VELCO
- John Flynn, VELCO
- Jaime Smyrski, VELCO
- Amber Widmayer, MMR
- Gabrielle Stebbins, EFG
- Mary Coombs, VELCO