

Using the VSPC stakeholder process to  
explore potential policies that could  
cost-effectively unlock generation  
constrained areas

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# Potential Role of VSPC

- VSPC was created to ensure adherence to least-cost planning requirements related to reliability projects
- Addressing generation constrained areas is a policy issue, not a reliability issue
- Reviewing policy issues associated with generation constrained areas is not part of Docket 7081 responsibilities of VSPC
- VSPC would be convening because it works well as a collaborative, facilitated process and already includes most of the stakeholders necessary for the discussion

# Purpose of an Ad Hoc Committee

- Review potential least-cost policies that could be used to unlock generation constrained areas
- What the committee would NOT do:
  - Develop a screening process for applying these potential solutions
  - Debate cost allocation issues
  - Attempt to unlock specific generation constrained areas

# Process

- Self-selected group of interested stakeholders
- Meet on quarterly basis
- Meetings would be facilitated by VELCO
- Meetings would be open, with notice posted on VSPC website
- Would take place in parallel with other ongoing process, such as IRPs

# Preliminary List of Potential Topics

- Locational value for distributed generation, electrification measures, and energy efficiency
- Time value for distributed generation, electrification measures, and energy efficiency
- Storage (note that this may be more appropriate as a subset of time value)
- Curtailment
- Transmission & distribution infrastructure

# Locational Value

- Encouraging the right resources in the right locations
- Ability to implement locational value
  - Granularity of areas: generation constrained, almost generation constrained, no constraints, load constrained?
  - Ability to calculate?
  - Are resulting values feasible?
- Review policy implications of implementing locational value
  - Complications associated with underlying program design/implementation
  - Fairness/equity issues for customers

# Timing Value

- Choreographing Load and Generation
- Communications infrastructure necessary?
- Level of precision/response needed for reliability?
- Review policy implications of implementing locational value
  - Complications associated with underlying program design/implementation
  - Fairness/equity issues for customers

# Storage

- Possibly discuss as a subset of timing value
- Multiple value streams likely to be necessary to make storage cost-effective and shifting excess generation may be one potential value stream



# Curtailment

- May be economically efficient solution in some situations
- Fair/equitable application to resources?
- What amount is economic?
- Communications infrastructure necessary?
- Level of precision/response needed for reliability?

# Transmission and Distribution Infrastructure

- In some instances, building out infrastructure may be most cost-effective solution
- Are there ways to improve the “group study” process contained in PUC Rule 5.506(G)(6)?