

Generation Constraints ad hoc  
Subcommittee:  
Preliminary thoughts on purpose,  
process, deliverable

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April 9, 2019

# Why a VSPC Subcommittee

- 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 works well as a collaborative, facilitated process and already includes most of the stakeholders necessary for the discussion

# Purpose of ad hoc Generation Constraints Subcommittee

- Review potential least-cost policies that could be used to unlock generation constrained areas
  - Including feasibility, costs, benefits, potential reliability concerns
- 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

# Deliverables

- Analysis and discussion that occurs in an open and transparent manner has value in and of itself
- Information gleaned from the GC subcommittee would help inform multiple planning processes
  - VELCO Long-Range Transmission Plan
  - Distribution utilities Integrated Resource Plans
  - DPS Comprehensive Energy Plan/Electricity Plan
- End product of the subcommittee would be a chapter in the VELCO 2021 Long-Range Transmission Plan that describes major conclusions and the potential impact on the VELCO system of various strategies to unlock generation constraints

# Process

- Self-selected group of interested stakeholders
- Meet on quarterly basis through publication of 2021 LRTP
- Meetings would be facilitated by VELCO
- Meetings would be open, with notice posted on VSPC website
  
- Timeline
  - Spring 2019: Prioritization of efforts
  - Late 2019-2020: Analysis and discussion
  - 2021: Write-up of conclusions, incorporation into 2021 LRTP

# Topics to be considered

- Locational value for distributed generation, electrification measures, and energy efficiency
- Time value for distributed generation, electrification measures, and energy efficiency
  - Including role of storage in shifting timing of generation and/or load
- Curtailment of generation
- Construction of 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?
- Role of storage?
- Review policy implications of implementing locational value
  - Complications associated with underlying program design/implementation
  - Fairness/equity issues for customers



# Curtailment

- Likely to be an 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)?