



**DRAFT ANNUAL REPORT  
TO THE PUBLIC UTILITY COMMISSION &  
PUBLIC SERVICE DEPARTMENT**

February XX, 2021

## **INTRODUCTION**

In accordance with the Memorandum of Understanding (MOU) approved by the Public Utility Commission in Docket 7081 as amended<sup>1</sup>, this document comprises the annual report of the Vermont System Planning Committee (VSPC) detailing activities undertaken in 2020.

Among its provisions, the Docket 7081 MOU requires that the VSPC provide a report to the Public Utility Commission (PUC) and Public Service Department (PSD) by February 15 of each year and post that report on the VSPC website. The report must consist of at least the following:

89. A report on each Reliability Deficiency identified to date in the [Long-Range Transmission] Plan or through the process described in Steps 1 through 6, above, including:
  - i. The status of NTA [Non-Transmission Alternative] Analysis for the Reliability Deficiency.
  - ii. The status of decision-making on the selection of alternative(s) to address the Reliability Deficiency.
  - iii. The status of decision-making on the allocation of costs of the alternative to address the Reliability Deficiency.
  - iv. The strategy chosen for implementing the alternative selected to address the Reliability Deficiency.

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<sup>1</sup> Investigation into Least-Cost Integrated Resource Planning for Vermont Electric Power Company, Inc.'s Transmission System. Amended 1/30/2012, 8/1/2012 & 11/6/2013 & Docket 8875 Order of 6/13/2018.

- v. The status of implementation of the alternative(s) to address the Reliability Deficiency.
  - vi. All documentation pursuant to paragraph 86, above, relating to advisory votes within the preceding calendar year.<sup>2</sup>
90. A statement of the dates and locations of all VSPC meetings held during the preceding year.<sup>3</sup>

In 2014, the Commission approved a recommendation by the VSPC, designed to harmonize reporting procedures, that the VSPC annual report incorporate annual utility updates on areas that have been approved for energy efficiency geographical targeting.<sup>4</sup> At this time, no area of the state is designated for energy efficiency geographic targeting so no such annual utility updates are provided for the current year.

This document represents the VSPC annual report on the status of transmission and non-transmission analysis, solution selection, cost allocation, and implementation planning of all identified reliability deficiencies as required by the MOU, as well as the meetings and organizational work of the VSPC during 2020.

## VSPC ACCOMPLISHMENTS, MEETINGS AND PROCESS

The past year was the thirteenth full year of VSPC operation. As a result of the COVID-19 pandemic and federal and state guidance to contain the virus, the VSPC moved to virtual meetings in March 2020. During this year, the major activities and accomplishments of the Committee included:

- Developed, and filed on November 16, 2020, the annual geographic targeting recommendations to the Commission. The Geographic Targeting Subcommittee developed the recommendations following a full review of transmission and subtransmission issues, as established in Docket 7081, and distribution issues, as established in Docket 7873/7874.
- Received regular briefings on a variety of current policy proceedings, such as the investigation into the creation of an all-fuels energy efficiency program, expansion of energy efficiency utility programs and services, and funding options for those programs, the PUC Rulemaking process for rules 5.500 and 4.400, Efficiency Vermont’s Demand Resource Plan, and emerging federal regulation in response to rapid growth of distributed generation.
- Heard presentations on a wide variety of energy-related initiatives, studies and reports including: the Public Service Department Rate Design Initiative, the Act 31 Storage regulation report and recommendations, the

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<sup>2</sup> ¶ 86 requires the VSPC to take advisory votes to resolve disputes regarding determinations of affected utilities and cost allocation.

<sup>3</sup> Docket 7081 MOU at 35-36.

<sup>4</sup> Docket EEU-2013-11, In re: VSPC Geographic Targeting Improvement Analysis, 1/24/2014.

impact of COVID-19 on Vermont load, emerging enhancements to critical infrastructure protection reliability standards, and behind-the-meter load reconstitution impacts to Vermont.

- Updated participants regularly on significant policy developments at ISO-NE, the Federal Energy Regulatory Commission (FERC) and the North American Electric Reliability Corporation (NERC) with regular participation by an ISO-New England (ISO-NE) representative, and briefings by VELCO. Topics of particular focus included: energy security improvements, FERC Order 1000 competitive RFP for transmission, updates on the Distributed Generation Forecast Working Group, the New England Future Grid Initiative, and New England States on Electricity’s vision statement for regional grid reform.

The VSPC held the following full committee meetings during 2020:

1/29/2020	Quarterly meeting, South Burlington, VT
4/29/2020	Virtual quarterly meeting
7/15/2020	Virtual quarterly meeting
10/28/2020	Virtual quarterly meeting

The subcommittees of the VSPC met throughout the year as follows:

- Coordinating Subcommittee: The Coordinating Subcommittee met on January 14, April 6, June 23 and September 30 to plan the agendas for regular VSPC meetings.
- Forecasting Subcommittee: The Forecasting Subcommittee met on January 22, February 6, April 1, and June 8. The focus of the subcommittee was to advise VELCO and its contractor, Itron, on the development of the Vermont statewide load forecast for the 2021 Vermont Long-Range Transmission Plan. In particular, the subcommittee was consulted on various assumptions regarding the treatment of distributed generation, cold-climate heat pumps, electric vehicle adoption, and climate impact and weather trends. The subcommittee also helped VELCO select scenarios to be analyzed in the Plan update.
- Geographic Targeting Subcommittee: The Geographic Targeting Subcommittee met on May 28 to carry out its responsibilities regarding geographic targeting recommendations to the full VSPC on energy efficiency and distributed generation.
- Generation Constraint Ad Hoc Subcommittee: The Generation Constraint Ad Hoc Subcommittee met on May 7 and September 10 to explore the technical capabilities of flexible load management, energy storage and curtailment as strategies to minimize generation constraints.

The calendar of all VSPC meetings is posted on the VSPC website at:

<http://www.vermontspc.com/calendar>

Agendas and meeting minutes for the full VSPC meetings are posted on the VSPC website at:

<http://www.vermontspc.com/vspc-at-work/meetings>

Subcommittee agendas and meeting minutes are posted on the VSPC website at:

<http://www.vermontspc.com/vspc-at-work/subcommittees>

No advisory votes were taken in 2020.

## **REPORT ON IDENTIFIED RELIABILITY DEFICIENCIES**

Paragraph 51 of the Docket 7081 MOU requires that the VSPC, VELCO and the distribution utilities report progress on identified reliability deficiencies at least annually to the Commission. In past years, this portion of the report has included several sections detailing the status of transmission and subtransmission issues identified in the currently applicable Vermont Long-Range Transmission Plan. This year, however, the currently applicable plan, published in July 2018, identifies no reliability deficiencies.