

Around The Region

Trustees Updated On Substation Project

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LYNDONVILLE — Plans to build a power substation are advancing, with Lyndonville Electric Department manager Kenneth C. Mason working along several avenues to bring the multi-million dollar project to fruition.

Mason last week updated the village trustees on those efforts. He and officials from Central Vermont Public Service Corp. are negotiating on the cost share arrangement for the new substation, said Mason.

The project is proposed for two major reasons, Mason said: as a backup to the Higgins Hill substation in St. Johnsbury; and the projected doubling of power needs, if the proposed major housing development by the Ginn Company for Burke Mountain ski area is carried out.

Building a substation in Lyndonville was one of a handful of power improvement projects considered for the region, including a second substation in St. Johnsbury, said Mason.

The costs of constructing the substation in Lyndonville are much less expensive, making them a more viable alternative to improve the power supply, backup and load capacity for the region as a whole, Mason said.

In a statewide look at "reliability deficiencies" identified in the power system in some 14 regions and 14 associated priorities in the state, Priority 3 was identified as: "Loss of St. Johnsbury transformer; voltage collapse/low voltage in northern Vermont due to loss of transmission at either end."

That priority list, issued by the Vermont System Planning Committee on its June 20 "Project Priority List," notes the "electric reliability deficiencies, when they are projected to occur and the timing of efforts to address them." The report was made to the state Public Service Board in June.

The list is organized "in priority from highest priority, i.e., most immediate projected need, to lowest priority, i.e., longest-range projected need," the re-

port states. So out of 14 identified deficient areas, the situation in St. Johnsbury was identified as the third most serious, according to the report.

Proposed Hill Street Substation

The proposed substation would be located on Hill Street.

LED is dependent upon the "single radial 9-mile sub-transmission line that runs from St. Johnsbury Center to Lyndonville," an LED-produced analysis states. "Currently, both LED and CVPS's St. Johnsbury systems are served by a single VELCO 115kV source. The unplanned outage of this source causes the loss of the load on

will likely have the least impact on the towns within the area while improving their electrical source.

Multi-Million Dollar Cost

The planning cost estimated is \$22.86 million, and providing all approvals are granted, the substation would be constructed and in-service by the end of 2010, Mason said. The solution means that a new 9-mile long 34.5 kV line would not have to be constructed, as called for in another, costlier option, the plan notes.

Options considered ranged in price from \$22.7 million to \$35.8 million.

Because the project falls under what is called Pooled Transmission Facilities (PTF), "part of what you consider the New England grid," it qualifies for funding according to a formula in which Vermont represents 5 percent, Mason explained.

"Whenever a facility qualifies for PTF, what this does is (a high percentage of) it will be paid for by ISO," he said of the substation's costs.

ISO New England, on its Web site states that it, "helps protect the health of New England's economy and the well-being of its people by ensuring the constant availability of electricity, today and for future generations."

Of that 5 percent which Vermont is responsible for paying, the Lyndonville project will owe just 1.35 percent, Mason said under the way the formula for funding help works. "It's a real small amount of money for us, something less than \$1,000 a month," he said, of that part of the funding formula. "That's good news," he said.

The ISO would cover the PTF amount for a total of \$10.30 million, estimates show, or 45 percent of the overall substation costs. The remainder, about \$12.5 million, breaks down into \$7.98 million in Non-PTF costs, and \$4.58 million for the transformer, the estimates show.

That just over \$12.5 million, under a state of Vermont policy, will be paid for by the specific utilities it benefits — LED

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— Ken Mason, LED manager, explaining the local share of the proposed power substation

both the LED and CVPS systems."

The existing system has virtually no ability to back up load for outages of key equipment, the LED analysis states. "When analyzing which ... alternatives would meet the needs of the system in 2012, two primary alternatives were developed ... Lyndonville Substation Alternative 3B was determined to be the best solution to the area's voltage and reliability issues at the least estimated cost and is the recommended solution to meet the future forecasted winter peak needs of the area."

The LED analysis states the proposed substation site is owned by VELCO and is located directly off its K28 115kV transmission line right of way and in proximity to the LED No. 2 substation. Therefore, it is believed that this project will have the least impact on environmental, historical, aesthetics, ROW and

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and CVPS – for the first 10 years of construction, said Mason. After that, it will be paid for “by everybody in Vermont,” he said, so after the first 10 years, the cost to LED and CVPS customers will go down.

“The first 10 years we will be carrying the costs (along with CVPS) and then it reverts to common,” Mason said of the complex method through which the substation for the area will be paid. During that 10 years, Lyndonville and CVPS will pay back on the \$12.5 million financed for the project.

“We’re at a point now where we’re talking with CVPS about cost allocation to see who pays for what in the substation,” Mason said. He’s optimistic that the two utilities can work it out on their own and said the project is advancing through the appropriate channels.

Ultimately the Vermont Public Ser-

vice Board will consider the substation project, and right now, the project is before the Vermont System Planning Committee for its comprehensive review as part of the process.

