

112 State Street
4th Floor
Montpelier, VT 05620-2701
TEL: 802-828-2358



TTY/ TDD (VT: 800-253-0191)
FAX: 802-828-3351
E-mail: puc.clerk@vermont.gov
Internet: www.puc.vermont.gov

**State of Vermont
Public Utility Commission**

MEMORANDUM

To: Mark Sciarrotta, VELCO
From: Chair Anthony Z. Roisman, Commissioner Margaret Cheney, Commissioner Riley Allen
Re: Next Long-Range Transmission Plan
Date: August 21, 2023

The purpose of this memorandum is to provide guidance to Vermont Electric Power Company Inc.'s ("VELCO") planning process, including the development of the Long-Range Transmission Plan. The Vermont Public Utility Commission ("Commission") has been providing similar guidance to electric distribution utilities in the context of those utilities' integrated resource plans.¹ Given the interaction of the distribution and transmission systems and the fact that the existing VELCO planning process is a collaborative process involving all Vermont utilities and other stakeholders, it is important for the relevant guidance to be presented to the transmission system operator as well.

For example, the Commission is looking forward to future plans providing more information related to the impact of beneficial electrification, distributed energy resources, and resources that are increasingly weather-reliant and distant from loads. At the transmission level, this would include VELCO addressing:

- whether potential new transmission infrastructure is appropriately sized to address longer-term challenges associated with both electrification and new supply-side resources that could be remote or distributed in nature;
- how the potential expanded use of microgrids might affect the need for transmission modifications and additions;
- whether new technologies could be used to increase the capacity of existing transmission infrastructure rather than building new infrastructure; and
- how projected extreme weather trends affect the need for storm-hardening transmission investments.

¹ See, for example, the Commission discussion in the August 2, 2023, order in Case No. 22-4301-PET, *Petition of Village of Swanton, Inc., Electric Department for approval of its 2022 Integrated Resource Plan*.

In addition, consistent with the concepts being advanced by the New England states, the Commission supports visibility into the scope, scale, and pace of transmission asset condition project planning and spending.² This visibility includes 5-to-15-year forecasts of asset condition investments, spending projections, and identifying opportunities for right-sizing. The Commission expects that VELCO will incorporate this visibility of asset condition projects into the Vermont transmission planning process going forward, including the development of the Long-Range Transmission Plan.

Further, the Commission will be considering the goals, objectives, and requirements of the recently enacted Environmental Justice Act (“EJA”) when reviewing the next iteration of long-range planning documents.³ The EJA is intended to “identify, reduce, and eliminate environmental health disparities to improve the health and well-being of all Vermont residents.”⁴ The Commission encourages VELCO to familiarize itself with the EJA’s policy objectives and to be prepared to address how the decision-making that underlies VELCO’s next Long-Range Transmission Plan is consistent with the EJA’s broader objectives.

cc: Jim Porter, Vermont Department of Public Service

² See Memorandum from the New England States Committee on Electricity to the New England Transmission Owners, dated July 14, 2023, addressing Asset Condition Process Improvements – Next Steps; available at: https://www.iso-ne.com/static-assets/documents/2023/07/2023_07_17_nescoe_asset_condition_request_netos.pdf

³ Public Act No. 154, (2022 Vt., Adj. Sess.).

⁴ *Id.* at § 2.