



Flexible Load Management Working Group

Thursday, March 7, 2024
(Initial Meeting)
10:00 – 11:00 am

10:00 Introductions

Philip Picotte, PSD; Betsy Bloomer, VELCO; Bill Powell, WEC; Brian Evans-Mongeon, HPE; Cyril Brunner, VEC; Lou Cecere, PSD; Dan Kopin, VELCO; Dave Westman, VEIC; Freddie Hall, BED; Melinda Humphrey, GMP; Jasmin Rivest, EVT; Jonathan Dowds, REV; Kyle Landis-Marinello, VELCO; Marc Allen, VELCO; Anne Margolis, PSD; Mike Lazorchak, SED; Morgan Casella, Dynamic Organics; Barry Murphy, PSD; Paul Lambert, EVT; Dan Potter, VEC; Sarah Braese, VPPSA; Scott Johnstone, MWL; Thomas Petraska, LED; Apryl McCoy, VPPSA; Hantz Presume, VPPSA

10:10 Working Group Purpose and Objectives

Per the PUC order, “assess the ratepayer value of flexible load management” (FLM), including:

1. Identify a methodology for quantifying FLM benefits
 2. Articulate of the roles and responsibilities regarding deployment distribution utilities and the energy efficiency utilities; and
 3. Establish a valuation of flexible load potential
- Should we have a charter, or will meeting notes suffice for what we’ll cover and what we hope to achieve?
 - Mr. Westman: pretty substantial comments from PSD in DRP (EVT equivalent of a rate case) already, including on three points above. Are FLM investments cost-effective? What is potential? What are roles & responsibilities? This working group is a great step forward, happy to see convening under VSPC. Not sure there needs to be a charter. Documentation filed by PSD in DRP and PUC ordering this working group into existence creates the basis of a charter already. Not sure need to take more time than that, but sharing what PSD has filed and PUC has authorized would be a good idea. Based on fact this group does exist as a byproduct of a PUC order, assume there are responsibilities to report back to PUC? And because it’s part of a case at the PUC, all should think about whether this group would submit something to the PUC and the PUC would approve. Somewhat different than a normal PUC conversation.
 - Mr. Picotte: In lieu of charter, Philip can pull comments and briefs filed in DRP and those material will be the group’s charge in lieu of a charter. PUC hearing officer said this would be a non-contested case; but our goal is to file a final document with consensus (or multitude) of views.
 - Mr. Westman: suggest everyone review source material before next meeting and consider whether a more formal charter is needed.

- Mr. Evans-Mongeon: More fundamentally, given everything going on, what are people's viewpoints on whether this would end up being mandatory/voluntary participation at the end of the day? If would end up being mandatory, would warrant more participation. What is the expected outcome?
 - Mr. Picotte: here to provide some direction to PUC in their regulatory role of overseeing EVT, invite Mr. Westman to comment.
 - Mr. Westman: that's why we're here. Some utilities have launched very successful FLM pilots, EVT has supported in several ways. To some extent this group can explore the statewide aspects as well as opportunity for a consistent set of roles & responsibilities.
 - Mr. Hall: BED is an odd duck, being a DU and an EEU. Imagine ultimately BED may be treated differently.
 - Mr. Picotte: goal is for potential study to reach statewide. Leaving room for other EEU, VGS.
- Mr. Dowds: What context? If more intermittent generation, FLM becomes more valuable.
- Mr. Johnstone: one question is how roles turn out at the end. Not to be isolationist – but rather, many outcomes from FLM including what is paid for transmission. What assurances that we're not losing control of transmission costs (lose control of own rates at that point). Really important things that stand out.
 - Mr. Picotte: do small vs. large systems have different considerations there?
 - Mr. Johnstone: everybody should be concerned because we all pay for transmission, and everyone has different resource constraints. Morrisville bigger than some but smaller than most. Cost implications from transmission are significant enough that will have to figure out how this works for us in the end, regardless of which actors do what.

10:25 Working Group Schedule

a. Status of FLM Potential Study Memo

- Mr. Picotte: GDS put together overall potential study memo. Will share residential potential memo next week. PSD view is there may be need for a larger potential study to look at FLM overall, beyond just residential. No funding ideas, may be funding-dependent. Input welcome. Does it need to come first, before get into roles & responsibilities or quantifying/attributing benefits?
- ### b. Order of Activity
- Mr. Brunner: don't need a consultant to tell us the value of peak-shaving (maybe some sharing that can be done). But asset-deferral, infrastructure-deferral, very hard to quantify for the DUs. Very helpful to have a statewide, regulatorily approved value. Offsetting future costs, crosses the T/D boundary. Look for a value for asset deferral similar to like value of efficiency. Many states looking at what the distribution value should look like.
 - Mr. Westman: 100% agree. Quantifying the value of deferred load a good place to start. Distribution-through-transmission. Will greatly inform the scope of a potential study. Identify measures – but also technical, realistic, and program achievable. Costs that are being deferred, and cost-benefit analysis, will always be helpful to inform a potential study. Look at what GDS put together, but cost-benefit analysis should be the first topic on this group's agenda, then moving on to the potential study, then roles & responsibilities. Identifying cost-benefit of deferred load sooner rather than

later would be helpful in a variety of ways.

- Mr. Casella: higher-level wish list. If looking at deferrals, NWAs, grid services, backup values of FLM – identifying technology requirements. If not going to upgrade substation transformer due to thermal constraints on an export-constrained circuit, would you need direct control of FLM assets to ensure. Is that pathway for communication available? Costs & benefits need to incorporate that. Would need a geolocational registration of asset & utilities' network models would need to reflect that.
 - Mr. Picotte: geolocational is helpful, but in terms of network grid topology, it will change. Pathway of electrons will change by the hour & minute. Wonder how Morgan's point fits in to this effort.
 - Mr. Casella: as we think of value propositions – peak-shaving maybe simpler, but if a utility can't deal with it but contracts with a third party for a 5 MW battery, that could affect everyone else. As consider different things, there are infrastructure requirements around that. Each level requires a different architecture thought. Maybe for technical standards working group?
- Mr. Johnstone: talking about initiative that impacts how the grid is operating minute-to-minute. May be greatly impacting utilities in terms of line losses & costs. Begs question of how far to peel back the onion. Fundamentally is about grid management. Depending on how slice and dice, will either add complexity or keep it simple. But if simple, need to think about what going on inside & outside box you create.
- Ms. Braese: clear the complexity & layers & depths of impact this group can have. In the camp that roles & responsibilities is a good place to begin. Some implication of this being under VSPC in the first place. Helpful to establish a baseline in terms of who and what entities should be involved and to what degree. Cost-benefit will be different for someone who owns transmission vs. someone who is only on the receiving end of transmission. Who benefits from what and where will costs be incurred or gained?
 - Mr. Kopin: second what Sarah said. Charter is no-regrets.
 - Mr. Picotte: probably on him to draft that – at least structure. Anything folks want to include in PUC status update? (No feedback.)
- c. March 8 Compliance Filing to PUC in Case No. 23-4345-PET
- Mr. Picotte: tomorrow PUC is expecting a compliance filing – that will just summarize this meeting.

10:40 Meeting Frequency and Ideal Times

- Mr. Picotte: In terms of overall progress, PSD had in mind an 18-month timeline. Enough time to move forward & wrap up before intensive part of next DRP for 2027-2029. Monthly meetings ok?
- Ms. Braese: at least. NECPUC has initiated a similar demand response and FLM working group – process, standards, common understanding. Will there be coordination so not in a vacuum re: industry standards or best practices?

Mr. Picotte: not sure, happy to steal from them. Referring to chat – others ok with monthly. Set time or poll for times? Will send a poll for April.

10:50 Questions / Topics for Next Meeting

- Mr. Picotte: don't want to turn into an exercise in info sharing. Can imagine:
 - DU FLM activity summaries

- Presentation from GDS on initial quick work on potential study (residential)
- Barry Murphy on evaluation plans, including search for evaluation contractor.
 - Mr. Murphy: In the mid-stage of drafting up an RFP SOW. Intent to look at EVT FLM program, in terms of tools used to estimate savings, and rationalize those results against what seen through their FLM programs and tuning to EVT programs. Held up in order to get ahold of info developed through potential study and also scope of this working group to not step on toes/see what could do to aid this group. Will be sharing with EVT in the next few weeks.
- Mr. Picotte: not a VSPC activity or subcommittee, is really a PSD activity using VSPC infrastructure. Output will represent PSD and participants.
 - Ms. Braese: valuable to hear and beat that drum loudly so everyone understands context, including when report comes out.
 - Mr. Picotte: will put on paper. Important for drawing lines.
- Mr. Westman: for next meeting, suggest focusing on development of charter. Want to emphasize EVT role in pilot is to support DUs, see this as an extension of that. If that could also be reflected in the charter based on how FLM group initially proposed and ordered.
 - Mr. Picotte: will circulate a draft in advance. Scope can be flexible, ever expansive, but won't work for this group.