VERMONT SYSTEM PLANNING COMMITTEE

Final Meeting Minutes
July 15, 2026
Stowe, Vermont

The Vermont System Planning Committee held a quarterly meeting on July 15, 2026. Shana Louiselle, VSPC facilitator, called the meeting to order at 9:30 a.m. Ms. Louiselle reviewed the agenda for the meeting.

Ms. Louiselle asked if there were any corrections or objections to the April quarterly meeting minutes. Jackie Pratt made a motion to approve and Tim Duggan seconded. The minutes were approved without objection.

Introductions

A list of attendees by sector appears at the end of these minutes.

Geographic Targeting Subcommittee Report

Ms. Louiselle reported the Geographic Targeting Subcommittee met on June 30 for its annual project review and screening of new load-growth projects. No load-growth projects were presented or screened in. VELCO's F206 transmission structure replacement and Global Foundries Substation 86 upgrades, as well as GMP's substation removal and reconstruction project, screened out as asset-maintenance projects. The Subcommittee also reviewed the recent NTA process and identified opportunities to update the Geographic Targeting flowchart to better reflect flexible load management and demand-response resources alongside energy efficiency. Draft recommendations and proposed flowchart updates will be shared with the VSPC before submission to the PUC later this year.

Coordinating Subcommittee

Ms. Louiselle shared that the next VSPC meeting will be held October 28 at the Killington Grand Hotel. The VSPC approved the proposed 2027 meeting calendar:

- January 27, 2027 at the Delta Hotel in South Burlington,
- April 28, 2027 at the Kirk Alumni Hall in Middlebury,
- July 14, 2027 at the Trapp Family Lodge in Stowe, and
- October 27, 2027 at the Grand Hotel in Killington.

Meeting invitations will be distributed in the coming weeks. The Committee also noted that public member George Gross resigned before the end of his term due to relocation. The PUC has opened a solicitation for a public member alternate representing regional planning to fill the remainder of

the term ending July 31, 2028.

Load Forecasting Subcommittee

Zakia El Omari shared that the Subcommittee has not met since Itron presented the load forecast at the April quarterly meeting. Since then, GlobalFoundries requested a limited adjustment to its forecast, which Itron incorporated. The finalized forecast is now ready to support the planning study. The only change is an additional 2 to 3 MW of forecasted GlobalFoundries zonal load beginning in 2036; all other forecast assumptions and results remain unchanged from the April presentation.

2027 Vermont Long-Range Transmission Plan Study Scope

Marc Allen presented the finalized study scope, updated from the April presentation to reflect the finalized load forecast and additional case assumptions. The study will assess 2036 and 2046 summer and winter peak conditions, along with daytime minimum-load conditions that model solar PV growth from 600 MW to 1,400 MW. Cases will incorporate identified regional upgrades, Vermont projects with Section 248 approval, and stressed regional transfer conditions, including Highgate import scenarios.

The updated forecast shows lower winter peaks than the prior plan, by approximately 140 MW in 2036 and 150 MW in 2046, primarily due to revised EV and heat-pump adoption assumptions. Time-of-use and similar rate-based flexible-load effects are included in the forecast. Dispatchable flexible-load resources and energy storage will be evaluated through frequency and duration analysis after base-case constraints are identified; any remaining deficiency may proceed to NTA analysis.

The scope also applies applicable NERC and NPCC contingency requirements and includes distribution-line outages. Case development was nearing completion, with analysis expected to begin the following week and a draft 2027 LRTP planned for VSPC review in January 2027.

ISO-New England Regional Update

Sarah Adams, Senior External Affairs and Vermont Representative at ISO-New England, reported that May real-time wholesale electricity prices averaged approximately $49/MWh, 50% higher than the prior year. She also highlighted the 2025 Consumer Liaison Group Annual Report as a plain-language resource on regional wholesale costs and retail rates.

Ms. Adams reviewed ongoing market reforms. The first phase of Capacity Auction Reform, prompt deactivation, was accepted by FERC in March, and ISO-NE is advancing the seasonal resource accreditation phase. She also summarized early results from the Day-Ahead Ancillary Services Initiative, which has improved reserve reliability but resulted in higher-than-expected costs. ISO-NE is considering targeted design changes that, based on back-cast analysis, could reduce related costs by approximately 30% while maintaining incentives for resource performance.

ISO-NE reported that the region was adequately positioned for summer reliability, with nearly 29,000 MW of resources available to meet projected peak demand of 25,000 MW under typical

weather and 26,000 MW under above-average heat. During the early July heat wave, the region entered Operating Procedure No. 4, Action 2 conditions for approximately a day and a half but did not require additional emergency actions.

On planning, ISO-NE's 2026 CELT forecast projects regional electricity demand to grow approximately 9% by 2035, with winter peak demand increasingly approaching summer peak demand because of electric heating and transportation. ISO-NE has added large-load and behind-the-meter battery forecasts to the CELT; however, the current large-load pipeline remains limited, with two projects totaling less than 300 MW. Ms. Adams also noted continued work on the Asset Condition Reviewer function, FERC Order No. 1920 compliance, and FERC's large-load integration proceeding, including potential measures to ensure that new large loads secure adequate supply and do not shift costs or reliability risks to existing customers.

Interconnection Studies in New England: Current Status and Future Process

The panel reviewed ISO-NE's transition from a serial interconnection process to a cluster-study approach under Order No. 2023. The process evaluates projects collectively, applies readiness requirements, and allocates shared transmission-upgrade costs among projects that drive the need for those upgrades.

- **Sarah Adams, ISO-NE:** Reviewed ISO-NE's transition from serial interconnection studies to a cluster-study process under Order No. 2023. She summarized the transitional cluster study, which evaluated 23 projects totaling approximately 4,800 MW of deliverable capacity, primarily battery storage, and outlined the schedule for the first annual cluster cycle.
- **Lucas Looman, VELCO:** Presented Vermont-specific results from the transitional cluster study. Two 19.3 MW battery-storage projects, proposed in Windsor and Highgate, were included, with preliminary upgrade estimates of approximately $6 million and $2 million, respectively. He also described a study-identified upgrade to the Vernon–Northfield 345 kV line, driven by Massachusetts projects.
- **Cam Twarog, GMP:** Explained affected-system-operator studies for distributed-generation projects greater than 1 MW that are electrically proximate to a bulk-transmission bus with sufficient cumulative generation. GMP, VELCO, and other distribution utilities are coordinating Vermont's first affected-system cluster study, involving six solar projects.
- **Bill Barnes, Encore Renewable Energy:** Provided information on Encore's two Vermont battery-storage projects participating in the transitional cluster study. The projects are proposed at Windsor and Highgate, each with 19.3 MW of capacity and target commercial-operation dates in 2029. From the developer perspective, Mr. Barnes supported the cluster-study approach as an efficient way to evaluate multiple projects simultaneously, while identifying implementation lessons from the transitional process. He encouraged ISO-NE to provide stable technical requirements, earlier and more complete guidance on modeling expectations, and consistent study procedures to reduce rework and improve project cost and schedule certainty.

Projects and policies

Northern & Northwestern Vermont Update: Kamran Hassan, GMP Engineering Lead, reported that GMP filed the Northern and Northwestern reliability plan with the PUC following two years of non-transmission alternative analysis. The plan demonstrates that flexible load resources can defer identified transmission alternatives and informed several updates to the 2027 LRTP study scope.

PUC investigation – 2024 Vermont Long-Range Transmission Plan PUC update: Mary Jo Krolewski, PUC Hearing Officer, provided an update on the PUC staff's ongoing fact-finding investigation related to the 2024 Vermont Long-Range Transmission Plan. PUC staff expects to recommend closing the 2024 LRTP Investigation, pending stakeholder input on the draft order and its characterization of the issues. Any future VSPC or Geographic Targeting work would proceed separately; staff also flagged continued net-metering registrations in the SHEI region as a potential topic for follow-on review.

Transmission Structure Replacement Project – F206: Frank Ettori, VELCO Director of ISO-NE Relations, presented the proposed F-206 Structure Replacement Project for the 32.5-mile, 230 kV line, which was built in 1971. Approximately 181 structures are rated condition C or worse and require scheduled replacement. The conductor, static wire, fiber-optic cable, and insulators remain in good condition and do not require replacement.

VELCO evaluated three alternatives: replacing the deficient structures with like-for-like 230 kV structures; replacing them with steel structures designed for 345 kV operation; or fully rebuilding, reconductoring, and reinsulating the line for 345 kV operation. VELCO prefers the second alternative because it addresses the immediate asset-condition need while preserving the option to upgrade the line to 345 kV in the future, if system needs warrant it. The 345 kV-capable structures would be modestly larger, but the estimated cost is only about 1% higher than like-for-like replacement, or approximately $67.5 million, and avoids replacing new structures again if a future voltage upgrade is needed.

FERC ROE Decision: Alison Milbury Stone, VELCO Senior Legal Counsel, Alison reported that FERC set the base return on equity, or ROE, for New England transmission owners at 9.57%, replacing the 10.57% rate that had been in effect during the dispute. FERC applied the lower rate retroactively to October 2014, requiring transmission owners to refund the difference, with interest. The regional refund obligation is approximately $1.5 billion, with Vermont's estimated share at roughly $80 million.

This creates a unique problem for Vermont because VELCO's earnings flow to its distribution-utility owners and are used to offset retail electric bills. Requiring repayment now effectively turns those past bill offsets into a current cost that could increase Vermont customer rates.

VELCO is pursuing three responses:

1. Challenge the decision: VELCO joined other New England transmission owners in seeking FERC rehearing and judicial review, arguing that FERC's ROE calculation and its decision to require refunds beyond the normal 15-month statutory refund period were improper.
2. Explain Vermont's distinct impact: VELCO filed its own reconsideration request asking FERC to recognize that the refund outcome harms, rather than benefits, Vermont

ratepayers because of VELCO's ownership and cost-recovery structure. The Vermont Department of Public Service supported this request.

3. Limit rate shock if refunds stand: VELCO asked FERC to authorize a regulatory asset that would permit payment of one-third of the refund by the deadline and spread the remaining two-thirds over 10 years. This would not eliminate the obligation; it would reduce the immediate customer-rate impact while FERC considers the broader challenge.

Separately, New England transmission owners have asked FERC to increase the ROE going forward from 9.57% to 11.39%. That is a prospective rate case, distinct from the retroactive-refund dispute.

Adjournment

The meeting adjourned at 2:30pm.

Attendance

* Indicates voting member
** Indicates alternate

Public Sector

*Taylor Newton, Regional Planning Rep
*Michael Kirick, Commercial representative
**Molly Mahar, Commercial alternate
*Tim Duggan, Residential representative
**Steve Crowley, Environmental rep

Transmission Utility (VELCO)

*Marc Allen, VELCO
**Frank Ettori, VELCO

Distribution Utilities Providing Transmission (GMP, VEC)

*Kamran Hassan, GMP

Large Transmission-Dependent Distribution Utilities (BED, WEC, GF)

*JJ Vandette, WEC
*Munir Kasti, BED
*Chris Cole, GFPower

Transmission Dependent Distribution Utilities (Municipals)

*Jackie Pratt, Stowe Electric
**John Abbott, VPPSA
*Chris Cole, GF Power

Supply & Demand Resources

*Tom Lyle, BED
*Dave Westman

Non-Voting Members

Lou Cecere, PSD

Staff

Shana Louiselle, VELCO

Guests

Anil Adhikari, National Grid
Alison Milbury Stone, VELCO
Anne Margolis, DPS
Bill Barnes, Encore Renewables
Betsy Bloomer, VELCO
Brendan Johansen, VELCO
Brian Callnan, WEC
Brian Hall, VEC
Bradley Williams, BED
Cam Twarog, GMP
Dave Carpenter, DRM
David Mullett, All Earth Renewables
Debbie Manning, Bangor Hydro
Jay Pilliod, EVT
Khalid Osman, VELCO
Laura Coriell, FirstLight
Lucas Looman, VELCO
Mark Sciarrotta, VELCO
Mary Jo Krolewski, PUC
Michael Lazorchak, ENE
Paul Nadeau, BED
Paul Pikna, VEC
Philip Picotte, PSD
Sarah Adams, ISO-NE
Sheila Halstrom, SED
Tom Dunn, VELCO
Tom Knauer, PUC

Warren Coleman, MMR
Zakia El Omari, VELCO