



**Operating Committee Update
Power Accounting Open items
May 15, 2013**

1. Power Accounting Forum – A forum meeting was held on May 14 at VEC. A copy of the agenda and the statewide metering forum spreadsheet that shows the changes in the last quarter are attached. The individual items are discussed in the following summaries.
2. ISO Loss Calculation – VELCO has provided ISO with an analysis of their estimated VT PTF loss calculation. Several discrepancies have been identified. The preliminary analysis indicates potential savings for the state of Vermont. ISO is reviewing the document. As a result of this analysis, that removed an incorrect \$1.5M annual credit to Vermont and has potentially identified \$750k annual credit due Vermont, ISO-NE has requested VELCO shift to actual metering of losses. VELCO's preliminary assessment shows 10 additional meters required and a need to adjust the compensation point on several interconnection meters to be able to meet this need. This process will take approximately 1 year.
3. Proposed Coventry & Sheldon Springs SPEED standard offer solar projects – The SPEED legislation language requires the SPEED facilitator to purchase power at the point of interconnection with the host utility. These two solar projects will be connecting to dedicated transmission lines for generation with no local load to offset. As a result, the units will increase the losses in WEC and VEC's load calculations. The forum agreed that these losses should be allocated to the SPEED participants. VELCO will work with the forum to determine a method for calculating and allocating the losses.
4. SCADA vs. MV90 – The forum agreed that all interconnections between utilities should be the current focus moving from SCADA to MV90 as these points affect multiple utilities and in some instances the inaccuracies flow through losses. The points that cause regular issues are the Sheldon substation interconnection between GMP and VEC, The 1206 and 1211 interconnections between GMP and BED, and the Burlington airport interconnection between GMP and BED. The 1206 and 1211 interconnections in the McNeil substation are the highest priority. Daily GMP manually adjusts these meter reads by one hour due to time inaccuracies. Also, approximately five times per month these values are inaccurately supplied to VELCO causing research time for BED, GMP, and VELCO. It is estimated that the labor costs to complete the daily work and resolve issues exceeds \$20,000 per year. These points need remote interrogation revenue quality meters installed to resolve these issues.
5. GMP reverse flow correction – In researching low losses for a recent hour it was discovered that GMP-South did not include exports to VELCO at their interconnections in their preliminary tie load calculation. As a result during hours when exporting to VELCO's system their load was overstated. VELCO and GMP-South

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have prepared an analysis for the past six years and determined that the total cost of the over stated load paid by GMP that flowed through losses was \$16,894.85. VELCO will include a true-up in the June invoice once it has completed and distributed an allocation analysis.

6. VY shutdown metering – During the recent VY shutdown it was identified that the automated process that includes the 115KV generator feed as part of 345KV interconnection did not properly allocate the power consumed to GMP's load when the generator is shutdown. VELCO is working with VY to ensure it nets the small hourly amounts against generation when submitting to ISO and determine a process to automate the inclusion in GMP's load when consuming power.
7. VELCO losses & Vermont Network Load for ISO-NE charges – VELCO has confirmed the interconnections points where entities (VEC, GMP, and Jacksonville) receive power that is not supplied by Transco's system. VELCO will correct the calculation for allocating VELCO system losses and reporting network load to ISO-NE. The allocation of losses may require a true-up. ISO-NE network load will be a prospective change.
8. Special Constraint Resource Charge Allocation – Historically VELCO has allocated these charges on PDP. PDP is based on peak load and these charges are not incurred during peak times. As a result the forum agreed these charges should be allocated to participants based on their Real time load obligation (RTLO) during the hours the charges are incurred.
9. Lyndonville sub-transmission – At the March Operating Committee meeting VELCO presented the analysis and the proposed final true-up figure. GMP requested time to hold internal discussions and verify the amount. GMP and Lyndonville are coordinating a meeting.
Prior Meeting update: GMP and Lyndonville agreed at the January operating committee meeting to ignore losses on power transferring across the sub-transmission system between the VELCO St. Johnsbury and Lyndonville substations that support GMP and Lyndonville load. When reviewing the calculation it was determined 3% losses were still being assessed to Lyndonville when power flowed from GMP to Lyndonville. As a result there will be a \$2,830.67 true-up between GMP and Lyndonville to correct the energy charged from the date of the Lyndonville substation commissioning. At the February operating committee meeting Lyndonville requested VELCO prepare an estimate of the cost of losses since the commissioning of the VELCO Lyndonville substation when power is flowing from Lyndonville to GMP. The total estimated total cost of losses experienced by Lyndonville is \$7,832 which will be added to the \$2,831 for a total of \$10,663.
10. Sub-hour settlement – ISO-NE has made no further progress on this issue.

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