

## VELCO Operating Committee Meeting Minutes

Thursday, August 20, 2009

11:00 a.m.

Location: VELCO

**Committee Members present:** Jeff Wright (VEC), Ken Nolan (BED), Don Rendall (GMP), Ken Mason (LED), Ed Ryan (CVPS), Ellen Burt (SED) (On the phone), Neal Robinson, Ernie Hiatt and Kerrick Johnson (VELCO).

**Other present:** Frank Etori, , Wayne Mackenzie, and Thad Omand

### I. **Minutes of Meeting from the July 16, 2009 meeting**

The minutes were approved as drafted.

### II. **IGAP Guidelines**

The IGAP Basic Principals were discussed. Ed Ryan suggested the IGAP principals to include language about the 50% before and after 7/1/1990. The group agreed on the following addition:

“If the unit qualifies for IGAP credit, the credit shall equal 50%.”

With that addition, the group voted unanimously to approve the IGAP basic principles.

### III. **VTA resettlement process**

Thad Omand discussed the desire of the group to put a timeframe when a resettlement should occur. He gave an example of a utility that wanted to submit resettlement for 3 years ago. Don suggested that a utility could always go to FERC since there isn't a statute of limitations for this and we should create a guideline that we should all agree with. There are a lot of different scenarios that could result in a settlement error. The ISO-NE only allows for resettlement for 90 days. The result of the discussion was that Thad Omand would develop a draft procedure that would be, approved by the Operating Committee, and eventually used by the Power Accounting Department for resettlement purposes. The content of the procedure will look something like the following:

VELCO will allow resettlement for going back one year and if a utility wants to go back further they have the opportunity to bring it to the Operating Committee for resolution. If they still are not pleased with the outcome they have the opportunity to go to FERC.

### IV. **Settlement Subcommittee for Distributed Renewable Generation**-Thad Omand

Thad Omand gave an update on the small renewable project and items VELCO has been requested to perform. This program is for any generator lower than 2.2 MW. They are expecting to get as much as 50MW in this program. This subcommittee was put together to determine how settlement would occur with these generators. The proposal is to add the generation into the local utilities load and then aggregate the generation output to all VDU's. WEC has decided to opt out of this program. This program may go down to 1 kW generators. The group suggested that the costs for this process be captured and the group is uncertain if this is a VELCO responsibility to be reading meters. There are certain parts of this effort that will have to be conducted by

VELCO, since VELCO is the only entity who has all the load and generation data for disaggregation.

**V. Lyndonville Substation**

Ken Mason gave an update on the Lyndonville project. He reviewed the cost estimate, schedule, one-line diagram.

**VI. VEC outage**

Wayne MacKenzie gave an update on the VEC outage that was delayed due to the failover of the Newport RTU. He reviewed the incident, the SCADA configuration, the manual intervention of the protocol converter, and for the last 4 months they have been working out the issues with the new SCADA system. The new Protocol control points will be installed by the end of this week and the automated process will be completed by the end of next week. This process will allow for failover of the RTUs like the old ABB system.

**VII. VSPC evaluation**

Deena Frankel gave an update of the evaluation of the Docket 7081 process. There were some items that were resolved by the Operating Committee that were helpful in streamlining the VSPC process. The VSPC has a 6 month window to develop recommendations for the VSPC process and provide it to the PSB by December, 2009. The current state is the VSPC feels like the members are not entirely meeting their expectations. Therefore, this evaluation process is critical for feeding in to the VSPC. Some of the comments surrounding the feedback are as follows:

How the process can be simplified, expedited, and streamlined to make this process much easier. The current process is cumbersome and bureaucratic. We need to determine how we can eliminate steps and eliminate the time commitment associated with this effort. Not certain we are getting the best bang for our buck. Is the design correct, and is the implementation correct. There is a lot of dialog at the VSPC meetings where they spend a lot more time on subjects where it really isn't necessary. People must get paid by the word. It seems like it has turned in to a policy discussion. Deana would like for the Operating Committee members to go back to their respective companies to make sure these opinions are represented in the VSPC process.

**VIII. VELCO state-wide load forecasts and load data**

The group suggested that VELCO post a load forecast and the actual loads on VELCO's web site. Frank volunteered to determine how we can get this data posted on the web site.

**IX. New England Transmission Consortium**

Ken Nolan indicated he has been requested to provide wind generation for the NU Transmission Consortium proposal. Kerrick gave a presentation on the pros and cons associated with the NU consortium project.

Respectfully submitted,

Frank Etori