



**Operating Committee Update
Power Accounting Open items
December 11, 2012**

1. KCW metering – GMP legal has reviewed the document and an updated draft is included in the operating committee documentation
2. IGAP KCW – The numbers have been reviewed and a change to the Blockload IGAP was made reducing it by .7MW. As a result KCW is entitled to up to 14 MW of generation based on its seasonal claimed capability of which it would receive a 50% IGAP credit.
3. IGAP credit based on entitlement or ownership – Currently all generation receiving IGAP credit in the state of Vermont follows one of two methods. The first is where a utility directly owns the generation and as a result their ownership equals their ISO-NE entitlement. The second scenario is VEPP1 units where utilities are required to purchase the output per legislation. Utilities are receiving IGAP credit for these units based on the ISO-NE entitlement without direct ownership of the unit. Georgia Mountain is the first generator in the state that connects to the sub-transmission system not owned by a Vermont utility or covered by legislation.
4. Georgia Wind IGAP – The amount will depend on the determination of the entitlement versus ownership issue. The generation will reduce loading in zone B which consists of VELCO East Fairfax and St. Albans. There is currently 48.1 MW of available IGAP in this zone which exceeds the capacity of this project.
5. Merger – During the metering forum audit on Nov. 9 it was discovered that the loss percent on one former CVPS distribution level interconnection with VEC and was not adjusted from 6% to 5.2% per the GMP tariff. This issue will be corrected through ISO-NE resettlement.
6. Lyndonville – Proposal to be discussed utilizing a compensated meter calculation similar to KCW. Need to validate metering is sufficient to implement this process.
7. Highgate Metering – ISO-NE settlement department has not provided VELCO with an explanation of its hourly loss value. As a result VELCO is unable to determine if we are double counting the losses. If the losses are included they are being double deducted. This change would increase Vermont's annual power supply by an estimated \$1.5 million.
8. Sub-hour settlement – ISO-NE has made no further progress on this issue.

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