



**Operating Committee Update  
Power Accounting Open items  
June 13, 2012**

1. True-up agreement – True-up agreement was filed on May 23 with an expected ruling on or before July 23. The CFO forum is working out the repayment details which are expected to be included in the Net Settlement process for July through September (Aug 25 to Oct 25).
2. Highgate Metering – Spoke with Rachel Likover from ISO-NE settlement department and she is researching what is included in the hourly loss value. Expect a follow-up call in three weeks. Background: ISO-NE indicated losses from the border through the converter are included in the daily loss number provided to VELCO. VELCO is not including the losses in its daily load calculation. If the losses are included in the ISO-NE report Vermont they are being double deducted. This process has been occurring since early 2007 as the converter was moved to PTF. VELCO is waiting for ISO-NE to confirm what is included in the daily loss number. This change would increase Vermont's annual power supply by an estimated \$1.5 million.
3. Blockload values – ISO-NE has confirmed that their planning department will only use the numbers that are submitted through the hourly metering process for planning. VELCO has discussed this internally and is working with VEC to understand the impact on planning and costs. Background: VELCO currently includes the value of the blockload contracts as the load being supported by Canada. This allows each blockload contract participant to receive credit in their New England load settlement. The difference between the contract values and actual load being served is settled between VEC and HQ. This would increase VEC's load at the peak and impact their transmission charges.
4. Readsboro purchase – GMP's load calculation was corrected on June 1. VELCO will resettle April and May. September through March energy correction will be included with the true-up agreement correction in July to September. The final value will be provided at the next Opcom meeting. Background: When CVPS purchased Readsboro the GMP tie load should have been added to the other four GMP/CVPS interconnections in the southern part of the state. These are the four ties we recently experienced an issue with that led to the FERC true-up agreement filing. On September 1, 2012 the GMP preliminary tie load was not modified to include the additional tie while CVPS's load calculation was. As a result GMP's load has been overstated since September 1. The load is too small to qualify for an RBA (request for billing adjustment) at ISO-NE.
5. Sub-hour settlement – ISO-NE recently held a conference call of the New England meter readers. ISO-NE requested that each meter reader prepare an estimate of the cost to convert their systems and processes to provide sub-hourly meter readings. The formal request from ISO-NE was received this week and VELCO will coordinate a response from the utilities that participate in the VT load calculation.

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