

The VELCO logo is displayed in a bold, white, sans-serif font. It is positioned on the left side of the top banner, which features a scenic background of rolling hills with autumn foliage and several transmission towers.

VERMONT'S TRANSMISSION RELIABILITY RESOURCE

ISO-NE update

January 2015

Markets Committee Highlights

- 12/3/14: New Market rules in effect.
 - Increase in Reserve Constraint Penalty Factor
 - Intra-day reoffers
 - Negative bidding
- Winter fuel procurement program.
- ISO has procured 4.47 Million barrels of oil for \$68.8M and .5BCF of LNG for \$1.5M.

Markets Committee Highlights

- **ICR**
- The Participants committee supported our effort to incorporate future solar installations in ICR calculation.
- Discussed monetary value of incorporating solar in forecast with ISO-NE BOD and NE regulators.
- NESCOE moving initiative forward.
- ISONE giving small indications they are willing to discuss further.

Reliability/Planning highlights

- Making changes to Elective Transmission Upgrade (ETU) process.
- HQ outage on 12/4/14

Winter Expectations

- Expected energy costs are expected to be high this winter
- No expected load shedding events

Other Regional Highlights

- **Transmission cost allocation process**
- We have developed draft language on greater adherence with planning procedure #4 (support for PTF cost review)
- Establishing a greater stakeholder base. NESCOE, DPS, Synapse, and VEIC.