

DRAFT VELCO Operating Committee MINUTES

July 20, 2017, 10:00 p.m.

Conference call

Participating members

Mike Burke (Green Mountain Power), Ellen Burt (Stowe Electric Department), Ken Couture (Green Mountain Power), Frank Etti (VELCO), Stephen Fitzhugh (VT Public Power Supply Authority/Northfield Electric Department), James Gibbons (Burlington Electric Department), Dave Kresock (Stowe Electric Department), Craig Myotte (VT Public Power Supply Authority/Morrisville Water and Light Department), Jason Pew (VELCO), Chris Root (VELCO), Peter Rossi (Vermont Electric Cooperative), and Ken Tripp (Vermont Electric Cooperative)

<p>Next Meeting August 17, 2017 Green Mountain Power Montpelier Office 1-866-720-4556 Code: 6027065</p>

Other participants

Josh Castonguay (Green Mountain Power), Deena Frankel (VELCO), Kerrick Johnson (VELCO), Ken Nolan (Vermont Public Power Supply Authority), Colin Owyang (VELCO), Hantz Pr sum  (VELCO), Scott Rockwood (Vermont Electric Cooperative), Mark Sciarrotta (VELCO), Doug Smith (Green Mountain Power)

Opening Remarks

Mr. Root called the Operating Committee (OC) meeting to order at 1:01 p.m., a quorum was verified, and the agenda was reviewed. Mr. Root further thanked all participants for holding the meeting via conference call, which allowed his participation as he was out of the office on other business.

Safety Topic

Mr. Root discussed the amount of rain we have been receiving over the past few weeks and that this type of weather can lead to road hazards due to wash-outs.

Mr. Rossi provided an additional topic surrounding an incident that happened in the morning within the Vermont Electric Cooperative (VEC) service territory. An accident resulted in an energized conductor making contact with a vehicle. The first responders on site recognized the fact that the line might still be energized and contacted the VEC dispatchers who took action to de-energize the line. During the time it took to de-energize the line, a first responder on site had to restrain a citizen from approaching the vehicle and removing the occupant; action that prevented severe injury or death. Mr. Rossi credited the outreach work being performed with first responders in VT for keeping all involved safe during what could have been a more major incident.

Minutes Approval

Mr. Root referenced the meeting minutes from June 20, 2017, available on the VELCO Operating Committee website, for approval.

Mr. Tripp moved for approval, Mr. Gibbons seconded, and the minutes were approved as

presented.

Vermont System Planning Committee (VSPC) Sheffield Highgate Export Interface (SHEI) Discussion

Mr. Root began a follow up discussion from the July 12, 2017, VSPC meeting regarding the SHEI. VELCO Planning provided an initial list of options that could be implemented within the SHEI area that could result in additional export capacity from the constrained area. A request for proposal (RFP) was released that will provide a third-party study to examine mitigating options as well as provide an estimated amount of additional export capacity for each. The RFP has been awarded to a planning engineer, formerly employed by NERC, who will perform additional study work, consistent with ISO-NE planning. Study is expected to be completed by the end of August 2017.

Mr. Root further discussed what can and cannot be released with regard to the RFP both within the Operating Committee and publicly, consistent with ISO-NE Information Policy and FERC Standards of Conduct.

Mr. Gibbons requested to see the problem statement within the RFP. Mr. Root agreed to share that excerpt and also reported that the study will be based on a PSSE case that would require curtailment of generation within the SHEI area. The case would then be evaluated with each identified mitigating option and the amount of relief for each. Mr. Root further stated that appropriate study outcomes would be provided to the Vermont Distribution Utilities (VDU) for analysis once complete.

Mr. Rossi asked if the mitigating options would solve the issue permanently or simply provide immediate relief. Mr. Root responded that he sees the issue being handled in two phases: Phase 1 includes options that could be implemented to provide short-term relief; Phase 2 would look at options providing long-term relief. Mr. Rossi suggested that without regulatory oversight, more generation could be allowed in the area that would exacerbate the constraints further. Mr. Johnson submitted that the more the constrained area is visible at a state level, the more likely it is to get attention from regulators. Additionally, VELCO will provide fair notice to all potential projects in the ISO-NE interconnection queue that could aggravate the issue.

Mr. Smith inquired about who would be the responsible party to discern the cost-benefit of each of the mitigating options. Mr. Pr sum  reported that the VDUs would perform that type of analysis. Mr. Owyang noted that if a mitigating option is decided upon by the VDUs and filed for regulatory approval, VELCO would file supporting testimony from a transmission engineering and planning standpoint.

Mr. Gibbons inquired about the cost of the study. Mr. Root reported that the study is being treated as a transmission planning study and is funded accordingly; roughly \$60k. Mr. Gibbons expressed his thought that the amount was reasonable.

Mr. Root proposed that the next step would be to involve a review of the study results by the appropriate VDU planning engineers; not affiliated with generation and consistent with the FERC Standards of Conduct. The proposal would be considered during a whiteboard session where each mitigating option could be vetted for a general understanding of each.

Mr. Smith requested clarification on the audience not including VDU generation planners. Mr. Owyang offered that any discussion involving market participants like generators would have to be carefully reviewed for FERC Standards of Conduct purposes. Ms. Frankel reported she will organize this whiteboard session through the Operating Committee membership as the membership can ensure proper personnel are in attendance, and will also include those who participated in previous meetings on the topic among the DUs.

Motion to adjourn

Mr. Gibbons moved to adjourn, Ms. Burt seconded, and the meeting was adjourned at 2:07pm.