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35 Elm St., Suite 200 Montpelier, VT 05602

October 5, 2022

Holly Anderson, Clerk Vermont Public Utility Commission ePUC

All documents have been filed via ePUC, other than confidential documents

Re: Petition of Vermont Transco LLC, and Vermont Electric Power Company, Inc. (collectively, "VELCO"), for a Certificate of Public Good pursuant to 30 V.S.A. § 248(j) authorizing upgrades to VELCO's existing Highgate Substation, located in Highgate, Vermont

Dear Clerk Anderson:

Vermont Electric Power Company Inc. and Vermont Transco LLCs (collectively "VELCO" or "Petitioners") this day has filed ePUC the Petition, prefiled testimony and supporting exhibits, together with my notice of appearance and other required documents relating to VELCO's request to the Public Utility Commission (the "PUC") to issue a Certificate of Public Good ("CPG") pursuant to 30 V.S.A. § 248(j), authorizing Petitioners to construct the so-called Highgate Project in the town of Highgate, Vermont (the "Project"), in accordance with 30 V.S.A. § 248(j) and PUC Rule 5.400. The Highgate Project includes upgrades to VELCO's existing substation located at 2731 Route 78, in Highgate, Vermont.

With respect to Critical Energy Infrastructure Information (CEII), VELCO expects to enter into a Protective Agreement with the Department of Public Service so that it can provide a CEII exhibit to the Department. Once the agreement is executed, VELCO will file it with the PUC along with the Motion for Approval of Protective Agreement and the Procedural Order regarding Protective Agreement. Today, we have enclosed the following:

- 1. Motion for Confidential Treatment of Selected Prefiled Exhibit;
- 2. Procedural Order;
- 3. Averment Log.

Thank you for your attention to this matter. If you have any questions or require any further information, please do not hesitate to contact me.

Sincerely,

^{*}Admitted in Vermont and New Hampshire

^{**}Admitted in Vermont and Massachusetts

Josh Umber

Joslyn Wilschek, esq.

STATE OF VERMONT PUBLIC UTILITY COMMISSION

| Case | No. | |
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| Case | INO. | |

Petition of Vermont Transco LLC, and Vermont Electric Power Company, Inc. (collectively, "VELCO"), for a Certificate of Public Good pursuant to 30 V.S.A. § 248(j) authorizing upgrades to VELCO's existing Highgate Substation, located in Highgate, Vermont

PETITION

This document and associated testimony and exhibits have been filed ePUC

NOW COME the Vermont Electric Power Company, Inc. and Vermont Transco LLC (collectively referred to herein as "VELCO", "the Company", or "Petitioners"), in accordance with 30 V.S.A. § 248(j) and Vermont Public Utility Commission ("PUC" or "Commission") Rule 5.400, and petition the PUC for a Certificate of Public Good ("CPG") for the Highgate Substation project in Highgate, Vermont which consists of making minor upgrades to VELCO's existing substation located at 2731 Route 78, in Highgate, Vermont (the "Project"). In support of this petition, VELCO states as follows:

- 1. VELCO is a company as defined by 30 V.S.A. § 201 and is subject to PUC jurisdiction pursuant to 30 V.S.A.§ 203.
 - 2. VELCO's office is located at 366 Pinnacle Ridge Road in Rutland, Vermont.
- 3. VELCO owns, operates, and plans for Vermont's high voltage electric transmission system.
- 4. VELCO operates Vermont's high voltage electric transmission system to assure the integrity of the portion of the regional bulk power system for which it is responsible, and to assure adequate and reliable transmission of electricity to the electric distribution utilities that it serves in Vermont.

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5. VELCO's Highgate substation is connected to VELCO's 115 kV electric

transmission network in the Highgate area. The substation is connected to Vermont Electric

Cooperative, Inc.'s sub-transmission systems in the Highgate area. VEC's distribution systems

are fed from the sub-transmission system and in turn serve VEC's customers.

Notice Requirements

6. As required by PUC Rule 5.402, on July 18, 2022, VELCO notified the Highgate

Selectboard, the Northwest Regional Planning Commission, and the Highgate Planning

Commission of the Project. Contemporaneously with this filing, VELCO sent notice of the Project

to the adjoining landowners, Department of Public Service, Agency of Natural Resources, and

Vermont Division for Historic Preservation. In accordance with PUC Rule 5.402(B)(3), VELCO

identified the adjoining landowners using a certified copy of the Highgate grand list as it existed

no more than 60 days before this filing.

Project Need

7. VELCO purchased the 46 kV equipment in the Highgate Substation in 2003 from

Citizens Utility. VELCO rebuilt the 115 kV equipment in 2005 as part of the Northern Loop

project.

8. VELCO identified the primary deficiency as the control building. The existing 24'

x 61' light gauge metal control building suffers from several deficiencies, which cumulatively,

requires its replacement. The control building's physical size does not adequately house the

protection and control equipment, station service, DC battery systems, communication equipment,

and security systems while maintaining safe working clearances as further detailed in the

Assessment. The existing shell provides no ballistic protection and requires greater insulation. The

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existing roof includes no fire protection and is not adequately insulated as icing at the eaves

indicates heat loss through the roof. The building's wall and door systems include no fire

protection, some doors have rust, and daylight can be seen around both door systems. The exterior

insulation of the building's foundation is exposed and deteriorating due to UV rays. The existing

battery rooms require increased working space.

9. To address these deficiencies, VELCO proposes to construct a new building of

approximately 32' x 80'. VELCO would install the control building adjacent to the existing control

building inside the substation fence.

10. To accommodate the new control building, VELCO will need to expand a 90-foot

portion of the existing fence on the fence's eastern side and relocate the existing gate. VELCO

proposes to expand the fence approximately 5 feet to the east with the same materials as the

existing fence: chain link fence that meets the National Electric Safety Code (NESC) and is at least

seven feet in height. The fence expansion in this area will also prevent snow from falling off the

control building's roof and onto the fence.

11. VEC will have to remove its existing 46 kV conductors and one pole and relocate

these just outside the fence on the east side of the substation approximately 30 feet to allow

clearance to the new control building.

12. To accommodate the new gate, VELCO will need to regrade, widen, and shorten

the existing driveway.

13. VELCO will use the existing substation parcel, VELCO right-of-way easements,

and a VELCO-owned parcel across Route 78 from the substation to stage any material needed

during construction.

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14. The Commission can process this petition using Section 248(j) procedures. The

Project is limited in size and scope, it raises no significant issues with respect to the substantive

criteria of Section 248, and VELCO believes that the public interest is satisfied by the procedures

authorized under Section 248(j). VELCO will perform the Section 248 upgrades within previously

disturbed lands, and most of the work will occur within the existing substation fence other than

the minor fence expansion and associated driveway improvements, and the relocation of a VEC

pole. No Project components will require tree clearing. Temporary construction impacts will

impact a Class II wetland buffer, but such impacts will be limited and VELCO proposes to

implement best management practices to ensure no undue adverse impacts. Thus, the Project does

not raise a significant issue with respect to the Section 248 criteria given the Project's limited scope

and clear need to replace the control building.

Project Components

15. The Project consists of the following primary components:

• Replace the existing 24 foot by 61-foot VELCO control building with a new,

approximately 32 foot by 80-foot control building that will accommodate a new

protection and control system, station service, DC battery systems

communication equipment, and security systems, and bathroom. The new

control building will be located inside the existing the Substation.

• Expand a 90-foot portion of fence on the fence's eastern side to accommodate

the new control building. VELCO proposes to expand the fence approximately

5 feet to the east.

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• Relocate the entry gate approximately 40 feet to the south, and adjust the

existing driveway by regrading, widening, and shortening the driveway to

accommodate the new entry gate.

• Remove existing substation, including all above and below grade components.

• Relocate VEC's existing 46 kV wires and pole just outside the east side of the

fence to accommodate the new control building.

• Relocate communication fiber cables to connect to new control building.

Project Cost

16. VELCO estimates that the Project will cost \$12,513,480.

Project Schedule

17. VELCO proposes to begin Project construction as soon as possible after receiving

the required permits and approvals. Currently, the estimated construction schedule is from April

2023 with a targeted completion date of March 2024. A failure to achieve this schedule will likely

have adverse impacts on Project execution and overall Project cost. Construction would take place

between the hours of 7:00 A.M. and 7:00 P.M. Monday through Friday, and between 8:00 A.M.

and 5:00 P.M. on Saturdays. No construction will take place on Sundays, or state or federal

holidays; although VELCO seeks to conduct activities on Bennington Battle Day given the short

summer construction season, and the holiday is not widely granted as a paid day off for many of

the workers likely to be working on the Project.

18. VELCO requests that these construction restrictions do not apply to construction

activities that VELCO must perform during any required outages that may be needed to maintain

system reliability.

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19. VELCO also requests permission to commence construction without having first

obtained the required Wastewater System and Potable Water Supply Permit and the Division of

Fire Safety Permit. VELCO seeks exemption from the standard condition that requires acquisition

of all state and federal permits prior to the start of construction. Although VELCO anticipates the

receipt of the Wastewater System and Potable Water Supply Permit and Division of Fire Safety

Permit prior to the start of construction, the acquisition of these two permits may not occur prior

to when VELCO is prepared to begin site preparation and construction activities that are not

subject to these two permits. Specifically, VELCO would like to begin the following activities

upon receipt of a final order and CPG: equipment demolition, site grading, reroute of fiber-optic

cable and installation of temporary equipment.

Alternatives Considered

20. The proposed Project is the most efficient way to address the condition-related

concerns. The substation's condition drives the need for the proposed Project. Energy efficiency

and load management could not resolve these problems. Moreover, VELCO presented the

proposed Project to the Vermont System Planning Committee (VSPC). The Project screened out

of the VSPC's test for Non-Transmission Alternative (NTA) analysis, due to the need being based

upon condition. Thus, VELCO did not perform an NTA analysis.

Prefiled Evidence and Compliance with Statutory Criteria (30 V.S.A. § 248(b))

21. The Project will satisfy the statutory criteria contained in § 248(b) as demonstrated

by the prefiled testimony and exhibits filed with this Petition.

22. In support of this Petition, the Petitioners submit prefiled testimony and exhibits

sponsored by the following witnesses:

Petition for Certificate of Public Good pursuant to 30 V.S.A. § 248(j)

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<u>Witnesses</u> <u>Subject</u>

Dan Poulin Provide an overview of the proposed

Project's scope, cost and schedule, and explains how the Project complies with Section 248(b)(1)-(4), (b)(5) (public health and safety, transportation, education and municipal services, aesthetics) (PUC Rule 5.800), development affecting public

investments); (b)(6)-(7); and (b)(10).

Andrew McMillan Provide an assessment of the Project's

potential impacts upon above-ground and below-ground historic sites as well as to present the report entitled: "Natural Resource Assessment Report" prepared by VHB which address all the Section 248(b)(5) environmental criteria. Addresses primary agricultural soils and VELCO's waste

disposal practices.

Ed McGann Describe VELCO's proposed substation

upgrade design and transmission structure plans associated with the Project and addresses public health and safety, Section

248(b)(5).

Request for Relief

WHEREFORE, the Petitioner respectfully requests that the PUC:

- a. Issue findings consistent with this Petition and prefiled testimony and exhibits that the Project will promote the general good of the State of Vermont as required by 30 V.S.A. § 248(j);
- b. Issue a Certificate of Public Good for the Project consistent with this Petition and prefiled testimony and exhibits; and
- c. Grant such further relief as the PUC determines is necessary, just, and proper.

Petition for Certificate of Public Good pursuant to 30 V.S.A. § 248(j)

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Dated at Montpelier, Vermont this 5th day of October, 2022.

VERMONT ELECTRIC POWER COMPANY, INC. AND VERMONT TRANSCO LLC

Josh Umbos

By:

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