

DRAFT VELCO Operating Committee MINUTES

DATE: June 17, 2021, 1:00 p.m. – 3:30 p.m.

LOCATION: Virtual Meeting (ZOOM)

PARTICIPATING MEMBERS

- **Burlington Electric Department (BED):** James Gibbons
- **Green Mountain Power (GMP):** Mike Burke
- **Stowe Electric Department (SED):**
- **Vermont Electric Cooperative (VEC):** Kris Smith
- **Vermont Electric Power Company (VELCO):** Chris Root, Frank Etori, Tina Stevens
- **Vermont Public Power Supply Authority (VPPSA):** Bill Humphrey
- **Washington Electric Cooperative (WEC):** Bill Powell

OTHER PARTICIPANTS

Betsy Bloomer (VELCO), Tom Dunn (VELCO), Kerrick Johnson (VELCO), Nick Johnson (VELCO), Dan Kopin (VELCO), Michael Lazorchak (Stowe), Shana Louiselle (VELCO), Ed McGann (VELCO), Dan Nelson (VELCO), Jason Pew (VELCO), Dan Poulin (VELCO), Hantz Pr sum  (VELCO), Doug Smith (GMP), Allen Stamp (AP Stamp, Inc.)

OPENING REMARKS

Mr. Etori verified a quorum and called the meeting to order at 1:05 p.m.

SAFETY TOPIC

Mr. Smith noted that summer time is here and more people are outside having bonfires. Smoke from burning trees and brush that have been treated with pesticides can be dangerous to inhale. He reminds everyone to avoid burning trees and brush that have been treated with pesticides.

DRAFT MINUTES APPROVAL

Mr. Etori presented the meeting minutes from May 20, 2021 for approval.

Mr. Smith moved for approval, Mr. Root seconded, and the minutes were approved as presented without objection.

NERC SPIDERWG ACTIVITIES

Mr. Kopin presented some slides covering System Planning Impacts from Distributed Energy Resources Working Group (SPIDERWG) activities. The SPIDERWG scope: NERC stakeholder forum for focusing on DER from transmission planning and system analysis perspectives. The SPIDERWG is made up of ISO Regional Transmission Organizations (RTOs), major transmission companies, and a select few distribution utilities, consultants, and research institutes.

Mr. Etori asked what the kind of impact this group can have. Mr. Kopin indicated this group has the ability to propose changes that would then go to the Standards Committee.

The presentation included a review of Whitepapers on FERC Order No. 2222 and NERC Standards Review.

See presentation for details.

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TELECOM WORKING GROUP

Mr. Stamp indicated the group is meeting roughly twice a month. The next meeting is scheduled for next week. The group is looking at differences between the old way of deploying and administering the fiber vs the nuances of deploying on distribution. The first shipment of the 144 count fiber has been delivered. Will be doing a walk down with WEC, and then expect to expand to other territories in July. They will also be deciding on the Engineer to help with the project.

ISO BEHIND THE METER UPDATE

Mr. Etori indicated the proposal has gone through all of the technical committees and received a favorable vote in all three committees. Legal is currently working on the FERC filing. They expect to file at FERC by end of this month, with an effective date of 9/1/21.

NOMAD MOBILE STORAGE UPDATE

Mr. McGann noted the OC sub-committee had last met on June 1st. The group reviewed the VELCO ownership versus leasing financial model, also in comparison with the cost basis (kw-mo) for fixed battery pricing. The Vermont distribution utilities are currently receiving new estimates for their future fixed battery contracts which will be shared within the sub-committee and compared with the mobile battery pricing. The preliminary financial analysis indicates that the mobile battery is more costly than its fixed counterpart, in particular for peak shaving applications. The sub-committee will reconvene on July 16th to finalize the commercial evaluation and to conclude if there are mobile use cases to be further explored.

EPRI PROJECTS UPDATE

Mr. K. Johnson indicated VELCO had previously paid the entrance fee for any Vermont distribution utility to participate in EPRI's Incubatenergy Lab initiative. BED, GMP, VEC, VPPSA, and VELCO all participated. As a result of participating in this initiative, VEC is now pursuing a project with an Australia-based company Future Grid. EPRI is funding this endeavor. VEC is currently in the midst of finalizing the scope of work with Future Grid, FortisBC and EPRI. While not yet finalized, a role for VELCO is contemplated that could include data storage and/or sharing learnings, tool development, etc. with all Vermont distribution utilities.

DAILY LOAD CYCLE DISCUSSION

Mr. Etori shared a slide on daily load trend, pointing out two exponential rises that occur just after the evening peak. The exponential rises appear to occur at 9:00, 9:30, and 10:30 p.m. daily. Mr. Etori was noting this for awareness and consideration for potential impact on the evening peak. The utilities were asked to check with their companies as to any explanations for the periodic jumps.

RENEWABLE CLUSTER STUDIES

Mr. Presume presented some slides covering the need for Vermont to establish a cost-effective statewide policy on ISO-NE-driven renewable cluster studies. He noted that solar PV is expected to grow significantly and we are currently seeing the effects in Vermont and New England. The presentation included information on the top 10 reverse power transmission substations, with Vergennes being the highest for the spring day chosen. Mr. Presume noted there is the need to

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do studies to ensure there is no negative impact and to understand the aggregate effect of this reverse power.

The presentation also included a slide covering ISO-NE's concerns about cumulative impacts, clarifications on ISO-NE's planning procedures, and a review of how ISO-NE manages projects. This is applicable to individual and cluster generators. Please see presentation for details.

Mr. Presume noted that a cluster study would be costly and it would be better if the study was done statewide in order to spread the costs and reduce the burden. The cost of a cluster study is approximately \$250,000.

Mr. Presume indicated this topic was brought here today in order to begin the process of developing a procedure to address cluster studies. Conversations surrounding who would like to be involved, how to get started, and how to approach the Department of Public Service are needed.

VELCO CAPITAL REQUEST DUE JULY 9TH

Mr. Etori noted if anyone has any capital upgrade requests, to get them to VELCO by July 9th.

NORTH RUTLAND SCAP PROJECT

Mr. N. Johnson presented an overview of the North Rutland Substation Condition Assessment Project. The overview included a review of the existing facility classification diagram, noting there are no exclusive assets. The overview also included a review of the project scope of work and temporary substation options that had been considered. The schedule presented indicated the start of construction to be in February 2022, with commissioning expected in November 2022. See presentation for details.

BOARD OF DIRECTORS UPDATE

Mr. Dunn noted the Board had met on June 3rd. The meeting included a review of financials year to date, NPCC audit results, the 20/21 Denison survey results, a regional update from Mr. Etori, and a review of the Long Range Plan from Mr. Presume. Mr. Dunn noted that the financials included one unexpected item which was the PST failure costs. These costs are substantial, approximately 1 million dollars.

OTHER BUSINESS

Open discussion

- None

Next meeting

Date: July 15, 2021, 1:00 p.m. – 3:30 p.m.

Location: Virtual Meeting (ZOOM)

Possible topics for discussion

- Telecom Working Group – standing agenda item
- ISO behind-the-meter update
- Storage Update – quarterly agenda item
- FERC 2222 order – update in the fall

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- NPCC Audit results
- Facility classification diagram for sale of Global Foundry Assets
- Ongoing lessons learned BED relative to Delta Climb innovation projects
- Any feedback on the periodic load spikes after dark

MOTION TO ADJOURN

Mr. Powell moved to adjourn, Mr. Burke seconded, and the meeting was adjourned at 3:32 pm.

Respectfully submitted,

Tina Stevens
VELCO OC Secretary