

VELCO Operating Committee

Meeting Minutes

May 20, 2010

11:00 a.m.

Location: Vermont Electric Coop

Committee Members present: Jeff Wright (VEC), Ken Couture (GMP), Ken Mason (LED), Greg White (CVPS), Neal Robinson, Kerrick Johnson (VELCO) and Frank Etori (VELCO).

Others present: Thad Omand, Michelle Nelson and Kevin Perry

- I. Minutes of April 15, 2010 meeting
The minutes of the April 15th meeting were approved without modification.
- II. Determination of Load Ratio Share
The group discussed the proposal for the load ratio share. The proposal is to have the LRS be PDP less IGAP. The desire was to approve this item to allow participants to invest in Vermont Transco. CV, VEC, GMP, and VPPSA are in favor of using PDP. The belief is that BED would want to use PDP less IGAP. The group didn't want to vote on this item without BED being present and suggested having a conference call to discuss this one item. Neal will set up a conference call to discuss this item.
- III. Review of Tafts Corner Phase 1 and Phase 2
Michele presented the Taft's corners example to illustrate how VELCO should address we have modification to a specific facility within the first ten years. The discussion revolved around upgrading or replacing Specific Facilities before they become common. Greg volunteered to pull together a list of scenarios where this situation has/will occur for the modification to SF within the first 10 years..
- IV. Transmission Planning
Deena Frankel joined the meeting by conference call. Kerrick discussed the generation forum and perhaps the operating committee isn't necessarily the best forum for this discussion. The VELCO board has considered creating a separate group for this purpose. VELCO will develop a list of people who would be on this list and send around for consideration. The group will be made up mostly of the same group that was on the CWL economic working group. Ken suggested that it would be beneficial for a charter to be developed for sharing with other members. Kerrick volunteered to develop the charter for this group. The group felt that the best course of action is to integrate this generation group within the current Vermont Utility Planning Group meeting.
- V. Questions Carried Over from VTA Working Group
 - a. Develop a line of demarcation for NERC reliability responsibility

- b. Determine the feasibility of statewide reliability standards
- c. Determine whether design drives cost allocation or vice versa

The group discussed the open items from the VTA working group and it was decided that at this point they will not address these issues. The group discussed the desire for VELCO to present to the Operating Committee meeting the changes to the NERC BES standards.

VI. Next Meeting

The next meeting of the Operating Committee meeting will be June 17th at VELCO. The July meeting will be at Lyndonville.