

VELCO Operating Committee Meeting Minutes (FINAL)

Thursday, December 22, 2011

11:00 a.m.

Location: Burlington Electric Department, Burlington

Committee Members present: Ken Mason (VPPSA-LED), Ken Couture (GMP), Ken Nolan (BED), Greg White (CVPS), David Mullet (VPPSA), Jeff Wright (VEC), Kevin Perry (VEC), Jeff Disorda (VELCO), Tom Dunn (VELCO), Allen Stamp (VELCO), Fred Szufnarwoski (GMP consultant), Deena Frankel (VELCO)

I. Minutes of November 17, 2011 meeting

- The minutes of the **November 17, 2011** meeting were moved by J. Wright and seconded by G. White and approved by the group.

II. Gorge Update - Fred Szufnarwoski (presentation)

- Mr. Couture noted that the name of the group has been changed to the Northwest VT NTA Study Group to reflect the true focus of the group.
- The NWVT NTA group has decided to expand the focus to include central Vermont. Mr. Szufnarwoski indicated that the Connecticut River Corridor portion of the VT/NH study will not be included in group's work because solutions for each area appear to be independent of one another.
- Timeline for this study is more accelerated than what was contemplated under the MOU in Dkt. No. 7081 because of the need to synchronize this work with the transmission studies currently underway, the group has a goal of 3Q 2012.
- Mr. Szufnarwoski reviewed the process the group is following and highlighted the potential challenges associated with selecting a NTA as a solution to the reliability problems.
- Group will meet again in early January for ½ day meeting.
- Cost allocation question was discussed. Ms. Frankel noted that the VSPC MOU provides guidance on cost allocation. She noted that the group first needs to address the technical issues and viability on NTAs before cost allocation can be discussed.
- Mr. Dunn discussed the overall background of the northwest VT reliability issues and how NTAs are being compared to transmission upgrades to address these issues. He noted that the cost allocation question is going to be challenging in light of the differing treatment of NTAs and transmission.
- Mr. Mason noted that the affected municipal utilities still needed to be identified.
- The NWVT NTA group will provide a regular updates at future OC meetings.

III. Vermont True Up – Update Tom Dunn

- Mr. Dunn reviewed this topic and suggested that further discussions were needed to develop a consensus, he indicated that he would continue personal discussions with the members of the committee in an effort to close this issue.

- Mr. Perry suggested that we consider making a FERC filing that allows a generic process while still working on long term solution. He suggested that the filing move forward so that the GMP bill-back can be approved.
- Mr. Dunn stated that he will talk with Ms. O’Neill about moving the FERC filing forward.
- Mr. Couture reiterated GMP’s commitment to resolve the \$2.6 M metering issue as agreed to with the group, however, he restated GMPs concern regarding the resolution of the future issues and noted that the current motion approved by the committee doesn’t reinforce accountability upon the members to resolve issues in a timely fashion.

IV. VT/NH Study Update - Paul Renaud (presentation)

- Mr. Renaud provided an update of the results of VELCO’s Long Range Plan and how they compare to the results in from ISO’s VT/NH Solutions Study.
- He noted that VELCO’s results generally show higher critical load levels than ISO.
- Mr. Renaud also noted that VELCO’s approach was a bottom up review in contrast to ISO’s more of top down study.
- Mr. Renaud reviewed transmission and non-transmission solutions. He reviewed generation at various locations in Northwest and Central VT. Mr. Couture asked what assumptions VELCO has made on the Berlin unit. The group asked that VELCO provide a list of the status of existing generators. There was a discussion about the impacts of varying the size of generators on system needs and whether simulated units require diversity to meet the requirement. Mr. Renaud indicated that multiple units would be necessary to achieve transmission-level equivalence.
- Mr. Renaud noted that the Connecticut River Corridor portions of the study was more influenced by activities and decisions in New Hampshire.
- Mr. Couture asked what assumption about VY in VELCO’s study. Mr. Renaud indicated that VY is in all cases.

V. Telecommunications Update – Allen Stamp

- Mr. Stamp reviewed the status of the Fiber Project. He noted that the project is on track with respect to budget and schedule goals. He provided information on fiber electronics.
- Mr. Stamp indicated that VELCO will bring the cost estimate for the fiber electronics in the DU substations to the OC in January. Mr. Dunn provided information on the approval status fiber project and that we need to obtain VELCO Board approval for the allocation process that the DU substation electronics.
- Mr. Stamp reminded the members of the committee that they have had a draft of the proposed network access agreement for review and no comments have been received.
- There was a discussion about landowner contacts on the subtransmission lines and that generally this has been going well with effective VELCO-DU communication is key.

VI. Outage Coordination – Tom Dunn

- Mr. Dunn gave an update on the outage coordination effort underway. He noted that Dave Haas has scheduled three meetings with DU operators to cover a variety of operation issues. Mr. Mason raised the issue about who has control of sub transmission switches interconnecting with VELCO facilities. It was discussed that this would be a good topic for the group to consider.
- Mr. Dunn suggested that VELCO come to VPPSA BOD meeting to review the outage coordination efforts with VPPSA utilities. Mr. Mullet asked that VELCO come to the February meeting which is scheduled for February 9th.

VII. Vegetative Management Presentation – Jeff Disorda

- Mr. Disorda gave a detailed presentation on VELCO's Vegetative Management Plan, practices, and NERC/NPCC vegetation management standards.
- Highlights of the presentation included;
 - affects of the Northeast Blackout;
 - comparison of ROW's before and after implantation of the new standards;
 - trimming cycles;
 - the use of LiDar; and
 - the use of integrated field GIS.

VIII. Service Quality Standards Clarification- Ken Couture

- Mr. Couture updated the group on the clarifications to the SQRP. 5 to 6 meetings were held with the DPS and GMP, CV and VEC. Progress made on back-to-back storm definitions.

Other business

- The group decided, subject to confirmation by Mr. Couture, that all 2012 non-VELCO meetings will be held at GMP's Montpelier office. In addition, the May meeting will also be moved from VELCO to GMP's office.