STATE OF VERMONT PUBLIC UTILITY COMMISSION

Case No. 17-4966-PET

Vermont System Planning Committee	
reliability plan and energy efficiency	
geotargeting recommendations	

Order entered: 01/10/2018

ORDER RE: 2017 RELIABILITY PLAN AND ENERGY EFFICIENCY GEOTARGETING RECOMMENDATIONS

I. INTRODUCTION

On October 22, 2017, the Vermont System Planning Committee ("VSPC")¹ filed recommendations for the geographic targeting of energy efficiency ("geotargeting") as well as the need for reliability plans in accordance with the Screening Framework and Guidelines for implementation of 30 V.S.A. § 8005a(d)(2). In this Order, the Vermont Public Utility Commission ("Commission") adopts the VSPC's recommendations.

II. BACKGROUND AND PROCEDURAL HISTORY

On March 1, 2013, the Commission issued an Order implementing significant changes to the standard-offer program as required under 30 V.S.A. §§ 8005a and 8006a.² The March 1st Order established a Screening Framework and Guidelines, pursuant to Section 8005a(d)(2), designed to provide potential standard-offer plant developers with adequate information, at least annually, regarding transmission-constrained areas in which renewable generation having particular characteristics may provide "sufficient benefits" to the operation and management of the electric grid. As required by Section 8005a(d)(2) and as implemented in the Screening

¹ The VSPC consists of Vermont energy stakeholders, including electric distribution and transmission utilities, public representatives, the Vermont Department of Public Service ("Department"), the energy efficiency utilities, and the Standard Offer Facilitator. The VSPC was created to facilitate least-cost integrated resource planning for Vermont's transmission system. *Investigation into Least-Cost Integrated Resource Planning for Vermont Electric Power Company, Inc.'s Transmission System*, Docket 7081, Order of 6/20/07. As part of its planning efforts, the VSPC has been tasked with making recommendations to the Commission regarding transmission- and distribution-constrained areas of Vermont where targeted energy efficiency or distributed generation projects could be beneficial.

² Docket No. 7873/7874, Order of 3/1/13 (the "March 1st Order").

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Framework and Guidelines, projects deemed to provide sufficient benefits do not count toward the 127.5 MW cumulative capacity amount of the standard-offer program.

On January 24, 2014, the Commission approved changes to the VSPC processes as proposed by VSPC in the VSPC Process Improvement Analysis (the "VSPC Analysis"). Pursuant to the VSPC Analysis, the VSPC makes annual recommendations to the Commission on areas that require reliability plans³ and on whether to continue or discontinue existing geotargeting efforts.⁴

On February 20, 2014, the Commission modified the Screening Framework and Guidelines to address potential sub-transmission and distribution constrained areas.⁵

On October 22, 2017, the VSPC filed its annual recommendations.

On November 22, 2017, the Commission requested comments on the VSPC's recommendations.

On December 8, 2017, the Department filed comments stating that it supports the adoption of the VSPC's recommendations.

III. THE VSPC RECOMMENDATIONS

The VSPC makes three recommendations: (1) there are no newly identified constrained areas that "screen in" using the applicable screening tools for the potential to be resolved with non-transmission alternatives ("NTAs"); (2) no regulatory action related to geotargeting is required at this time because there are no areas currently geotargeted; and (3) no new geotargeting should be undertaken at this time because no new areas have been identified using the applicable screening tools.

³ Reliability plans are defined in the Screening Framework and Guidelines as least-cost plans to resolve a reliability constraint that include consideration of the use of new standard-offer plants.

⁴ In re: VSPC Geographic Targeting Process Improvement Analysis, EEU-2013-11, Order of 1/24/17. As part of the VSPC Analysis, the VSPC created a geotargeting process map that includes the step of making concurrent recommendations to the Commission. The process map is available on VSPC's website, at https://www.vermontspc.com/library/document/download/599/GTProcessMap final2.pdf.

⁵ The revised Screening Framework and Guidelines ("Revised Screening Framework") are attached to the Order of February 20, 2014, Docket 7873, *Programmatic Changes to the Standard-Offer Program*, available on ePUC.

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Under the Revised Screening Framework, transmission constraints shall be screened for their potential to be resolved by NTAs using the NTA screening tool adopted by the VSPC pursuant to the Docket No. 7081 Memorandum of Understanding. Distribution constraints shall be screened for NTA potential using the screening tool established in Docket No. 6290. Utilities may use either screening tool for screening sub-transmission constraints provided they explain their selection. The VSPC states that there are no newly identified constrained areas that "screen in" using the applicable screening tools as having the potential to be resolved with non-transmission alternatives. Accordingly, the VSPC recommends that no new reliability plans are needed.

The VSPC also states that no new areas have been identified for geotargeting and that no area is currently the focus of geotargeting. The VSPC explains that the only area of the state currently subject to a reliability plan, Green Mountain Power Corporation's Hinesburg area, has limited potential for load reduction by geotargeting. The Commission previously adopted the VSPC's recommendation that the Hinesburg reliability issues cannot reasonably be resolved with geotargeting or solicitation of standard-offer resources outside of the annual cap.⁶

Because no area is currently the focus of geotargeting and because no new areas have been identified for geotargeting, the VSPC recommends no regulatory action at this time.

IV. <u>Discussion and Conclusion</u>

After due consideration, and in the absence of any objection, we adopt the VSPC's recommendations.

SO ORDERED.

⁶ In re Vermont System Planning Committee 2016 Reliability Plan and Energy Efficiency Geotargeting Recommendations, Order of 3/3/2017.

Dated at Montpelier, Vermont, this 10th day of January, 2018

Anthony Z. Roisman Public Utility

Commission

Margaret Cheney

Of Vermont

OFFICE OF THE CLERK

Filed: Janu

January 10, 2018

Attest.

Clerk of the Commission

Notice to Readers: This decision is subject to revision of technical errors. Readers are requested to notify the Clerk of the Commission (by e-mail, telephone, or in writing) of any apparent errors, in order that any necessary corrections may be made. (E-mail address: puc.clerk@vermont.gov)

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