

**APPROVED**

**Vermont Public Power Supply Authority**  
**GENERATION AND OTHER ASSETS BOARD COMMITTEE**

**MINUTES**  
May 8, 2019

*Committee Directors present (X indicates present, P by phone):*

	Evan Riordan, Barton	P	Mike Sullivan, Hardwick
X	Craig Myotte, Morrisville		Reginald Beliveau, Swanton

*Other Directors present:*

John Morley, Orleans	

*Alternates present:*


*Others present:*

Ken Nolan, VPPSA	James Gibbons, BED	Julia Leopold, VPPSA
Crystal Currier, VPPSA		

(numbers below correspond with agenda item numbers)

1. Call to Order

The meeting was called to order by Director Morley at 2:10 PM.

2. Consideration of changes/modifications to agenda

There were no changes to the agenda.

3. Public comment

No members of the public were present.

4. Review of 03/14/19 Meeting Minutes Draft

Motion was made by Director Myotte, second by Director Sullivan, to approve the minutes of March 13, 2019. Motion was approved unanimously.

5. Project 10

a. P10 FY Budget

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Ms. Currier noted that the Fiscal Year budget is only required as a result of the underlying Power Sales Agreement with members. The General Bond Resolution requires a calendar year budget. As a result, staff tries to minimize any changes included in the Fiscal year budget. The calendar year budget has been extended for six months including a fuel cost and market revenue update based on information provided by Power Planning. Ms. Currier reviewed the changes with the committee. The committee was supportive of moving the budget to the full Board.

### P10 Capital Plan Updates

Mr. Nolan provided information on four projects that are in process. The bathroom project is nearly complete and wall/roof/sink installation expected next week (completion by June 1 expected). Spare transformer research has shown that 46kV to 13.8kV transformers are difficult to find. Director Sullivan had researched availability of 115kV to 13.8kV transformers and found them more prevalent. He suggested that staff consider evaluating a 115kV connection to VELCO as the backup solution. The General manager has spoken with VELCO about the concept and VELCO is evaluating whether this would be a feasible option. Staff has found a third party that can evaluate the need to move forward with a turbine overhaul and is in the process of contracting with them. Director Sullivan indicated independence of the second opinion will be important and that they should only be provided with the test data required to develop their own opinion. Lastly the engineering firm that handles the Project 10 control system has considered the control software (which is in reasonable shape) and the hardware (where the computers are running on MS XP and Vista) which are dated and will be problematic to repair. Staff is evaluating upgrading the computer systems while leaving the control software intact.

### b. P10 Market Revenues update

Mr. Gibbons reviewed a slide showing the project's budget and actual market revenues to date. Director Morley asked how Project 10 interplayed with member load gaps and discussion ensued about the Project's various revenue streams and the markets in which it provided member coverage.

### c. General Update

Mr. Nolan provided a brief update on operation noting that Mr. Gagne is preparing for several tests that need to be performed prior to June 30<sup>th</sup>, but that the plant has operated well since the last committee meeting with no significant downtime or issues to report.

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### 6. Load Reducing Resources

Mr. Gibbons presented an updated chart showing the savings to date from the load reducing resources. Due to the timing of the peak in 2018, and the lack of water availability at the time, most of the load reducing resources will see lower savings for the twelve months beginning June of this year.

### 7. Project Updates

#### a. VPPSA Solar RFP.

VPPSA is moving forward with several projects from its RFP. The Lawrence Brook project in Morrisville has filed for state permits, and the contracts are nearly complete. The Bone Hill project in Northfield has filed for an interconnection and the Letter of Intent is under development. The H-11 project in Hardwick has nearly completed lease agreement negotiations and attention has turned to the PPA. In addition, Encore is working to finalize a site in Jacksonville to be brought forward.

#### b. Standard Offer Projects.

Mr. Nolan gave an update on Standard Offer projects under development. Trombley Hill in Morrisville will become operational within days. VPPSA worked with Encore Redevelopment to submit two projects into the 2019 auction (Hess in Morrisville and Davis in Hardwick). The bids have been opened and VPPSA is the only bidder for the Provider block. Notification will officially occur in June, but VPPSA anticipates being awarded contracts for both projects.

### 8. Format for Mid Term Purchase Recommendations

This item was actually discussed prior to agenda item #6 to accommodate Director Morley's schedule. Mr. Gibbons presented a series of slides showing present market prices and VPPSA thinking with regard to both market products to be purchased and the information to be provided to members to facilitate their decisions. The Directors present provided feedback on additional desired information, and minor tweaks to the presentation shown. One specific request was to consider how information on the relationship between the energy prices in any potential purchase and the energy prices included in each member's most recent rate filing. Mr. Gibbons noted that making this 3 to 5-year purchase is near the top of staff's priority list, only behind meeting VPPSA's regulatory obligations to prepare 2019 IRP's.

### 9. Other Business

There was no other business.

The meeting was adjourned at 3:15pm.

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Respectfully submitted,

*James Gibbons*

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James Gibbons  
Acting Committee Secretary