

The VELCO logo is displayed in a bold, white, sans-serif font. It is positioned in the upper left corner of the slide, set against a background image of a Vermont landscape with rolling hills and power lines.

VERMONT'S TRANSMISSION RELIABILITY RESOURCE

VELCO's Public Outreach and Public Engagement Process

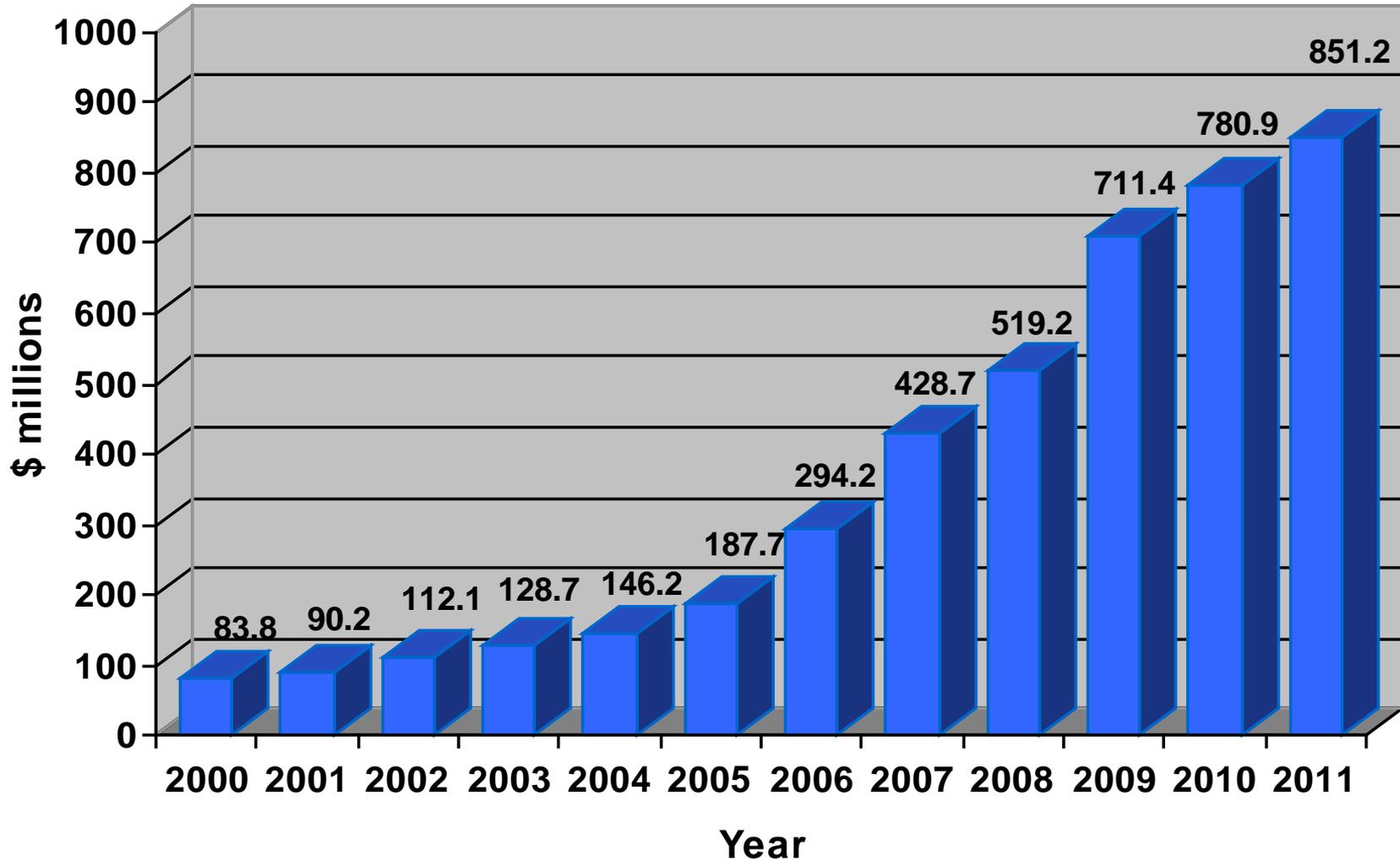
Presented by VELCO
to the Generation Siting Commission
January 15, 2013

Evolution of VELCO's public outreach

Northwest Reliability Project Order, 2005: “...[W]e are deeply troubled that...**we have no viable option but to approve a transmission solution** for a reliability problem that might have been either deferred or more cost effectively addressed...if there had been sufficient advance planning by VELCO and its owners...we [will] open a separate investigation into ways to ensure that cost-effective non-transmission alternatives are given full, fair and timely consideration...”

Southern Loop Connector Order, 2009: “The Petitioners have presented final design detail plans, have completed or nearly completed all critical environmental review and permit applications, and have engaged in both an extensive public outreach process and collaborative efforts with other parties, including local communities and the affected permitting agencies. We recognize and appreciate these efforts undertaken on behalf of all of the parties, and believe that they have been instrumental in producing an efficient process and positive result.”

VT Transco total assets growth 2000-2011



Permitting of Vermont Transmission Projects



Regional and State Transmission Project Oversight

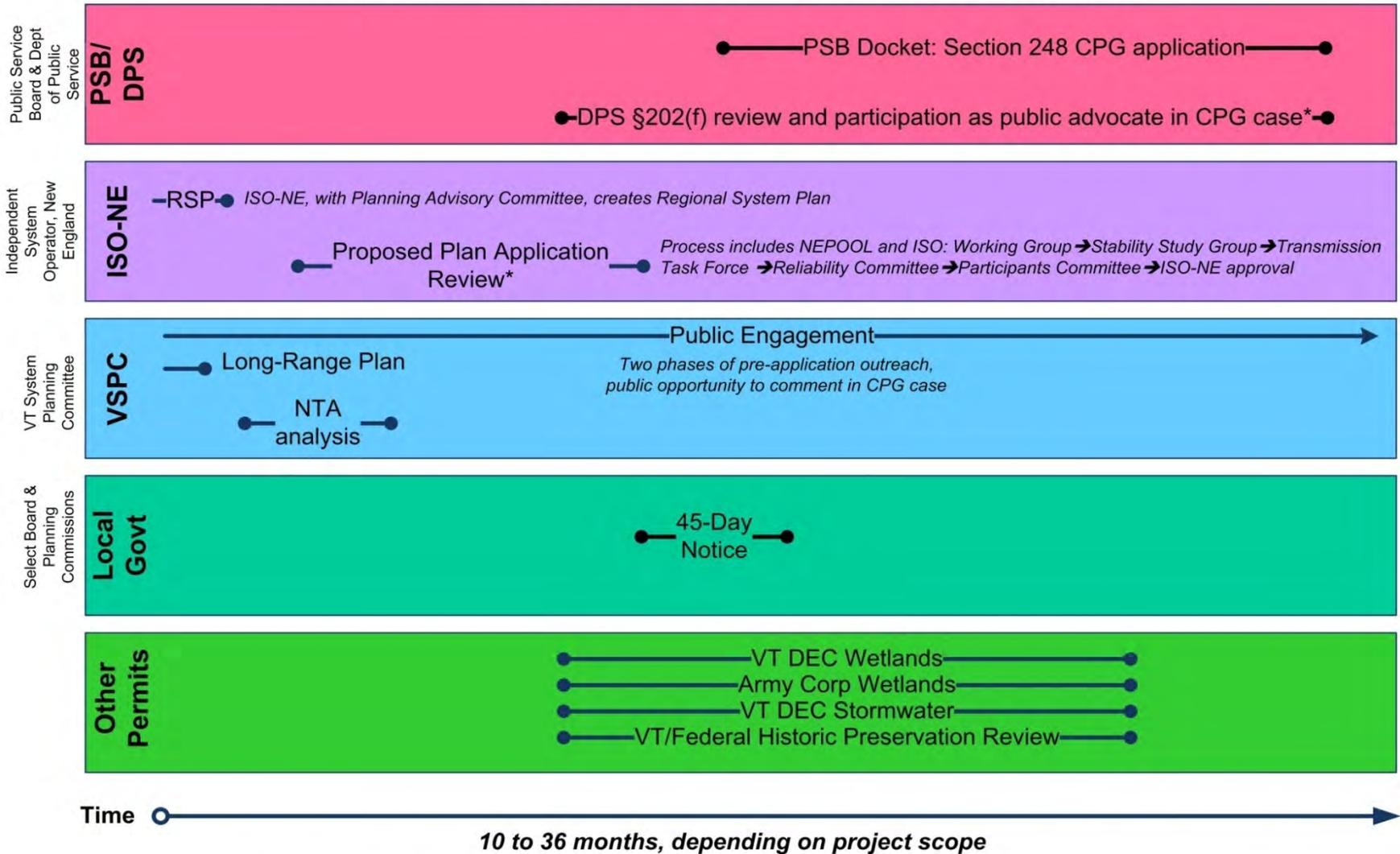
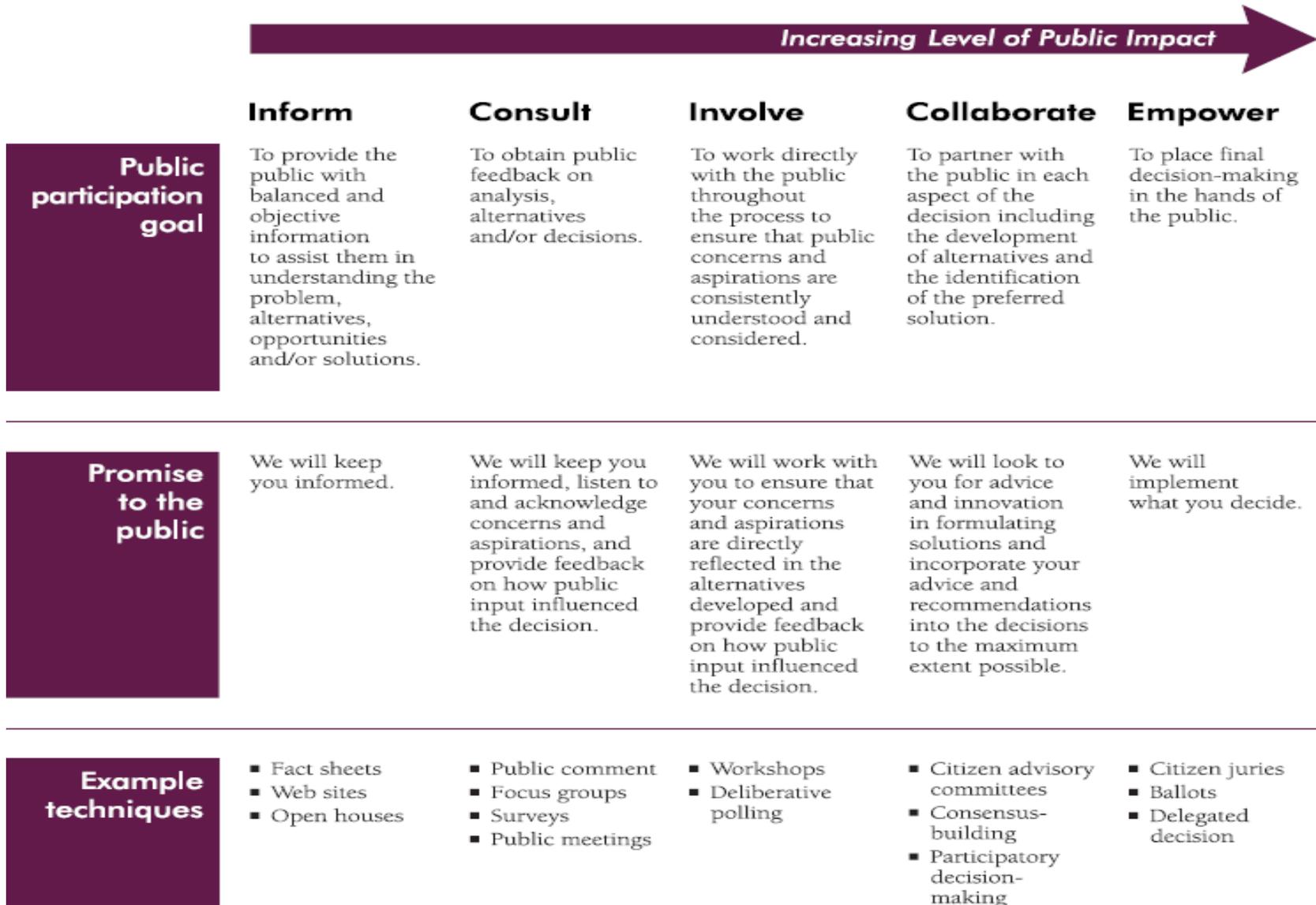


Chart depicts review of VELCO projects by state and regional regulatory authorities. Distribution Utilities are often co-petitioners with VELCO. Projects also subject to FERC, NERC and NPCC regulation. VELCO Board of Directors affirmative approval needed to apply for CPG.

*30 VSA §218c requires DPS to meet with every locality crossed by proposed transmission project before taking a position before the PSB.

Spectrum of public participation

Source: International Association for Public Participation



Principles of public outreach—Docket 7081 MOU

- Early, ongoing, effective communication
- Integrate the public throughout planning and decision-making process
- Structure public involvement in an accessible manner
- Invitation mechanism with broad representation
- Multiple communication channels
- Listen & encourage input
- Develop materials written in plain English
- Maximize opportunities for participation
- Make public involvement spectrum clear
- Direct communication
- Public involvement process: objective, balanced & fair

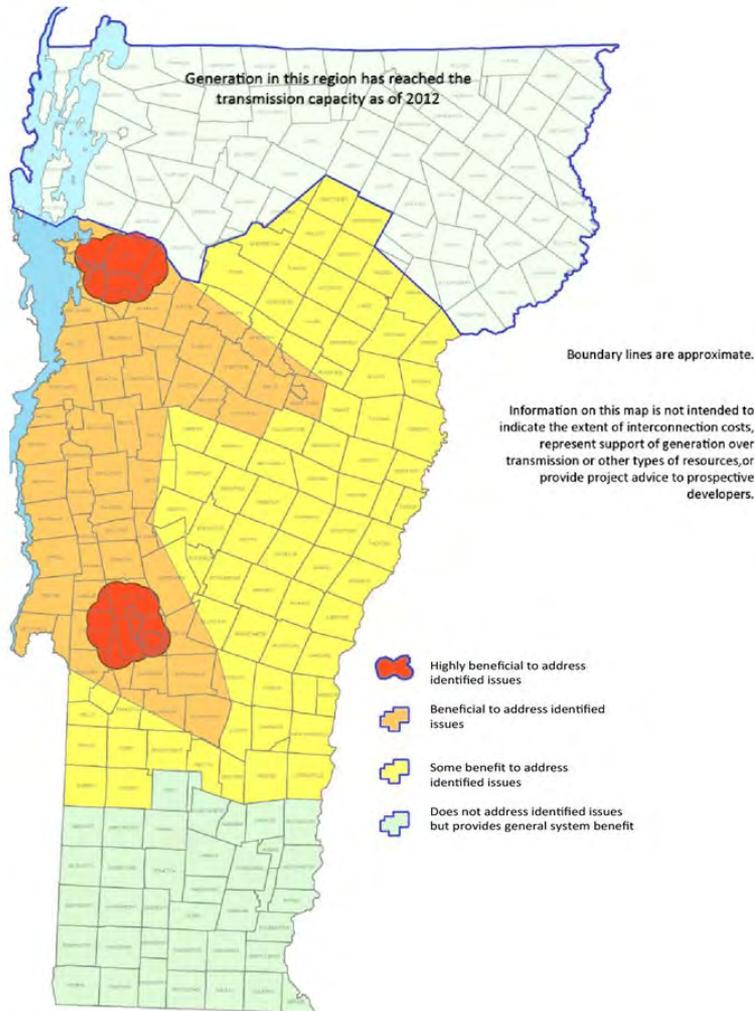
VELCO public outreach overview

Permitting Process typically 10—36 months, depending on project scope

Planning	Pre-Permitting	45-Day Notice	Section 248
<ul style="list-style-type: none"> • ISO-NE updates 10-yr Regional System Plan annually with stakeholder input • VELCO drafts 20-yr VT Long-Range Transmission Plan update every three years • VSPC reviews & comments • VELCO revises & solicits public input on draft plan • VELCO submits final plan to PSB & shares with stakeholders 	<ul style="list-style-type: none"> • ISO-NE forum approvals secured • VELCO Board approval secured • Internal scoping of project to determine impacts & affected parties • Advance outreach with affected local & regional officials & key stakeholders • Input used to refine the project where necessary prior to “45-day notice” 	<ul style="list-style-type: none"> • Pre-filing package sent to affected parties • Project presentations to local and regional officials, landowners and interested parties as needed • Comments considered & filing revised where necessary • Media Package 	<ul style="list-style-type: none"> • CPG application filed with PSB • Project outreach & information continues as needed throughout CPG process • Coordination with PSD on 30 VSA § 218c requirement to meet with all affected towns’ select boards • CPG approval narrows public engagement to localized impacts of project work

CPG: Certificate of Public Good under 30 V.S.A. § 248

Better informing developers about where generation helps (or hurts) reliability



- Generation benefit map, an enhancement in VELCO's 2012 VT Long-Range Transmission Plan.
- 2012 amendments to 30 V.S.A. § 8005a (standard offer; renewables under 2.2 MW)
 - Requires permitting additional standard offer above the annual cap for projects that the PSB “determines will have sufficient benefits to the operation and management of the electric grid or a provider’s portion thereof because of their design, characteristics, location, or any other discernible benefit.
 - “To enhance the ability of new standard offer plants to mitigate transmission and distribution constraints, the board shall require Vermont retail electricity providers and companies that own or operate electric transmission facilities within the state to **make sufficient information concerning these constraints available to developers** who propose new standard offer plants.”
 - PSB “shall require Vermont transmission and retail electricity providers to make the necessary information publically available in a timely manner, with updates at least annually.”
 - Docket 7873 currently implementing these provisions with VSPC involvement.