



Quadrennial Energy Review

Public Meeting # 12:

Electricity Transmission, Storage and Distribution – East

Distribution – How Do We Cope With New Challenges and Opportunities?



David Hallquist
CEO, Vermont Electric Cooperative

Consumer-owned cooperative

Serving nearly 34,000 households and businesses

Technology leader

smart grid, outage management, wattWATCHERS; community solar

Keeping the lights on

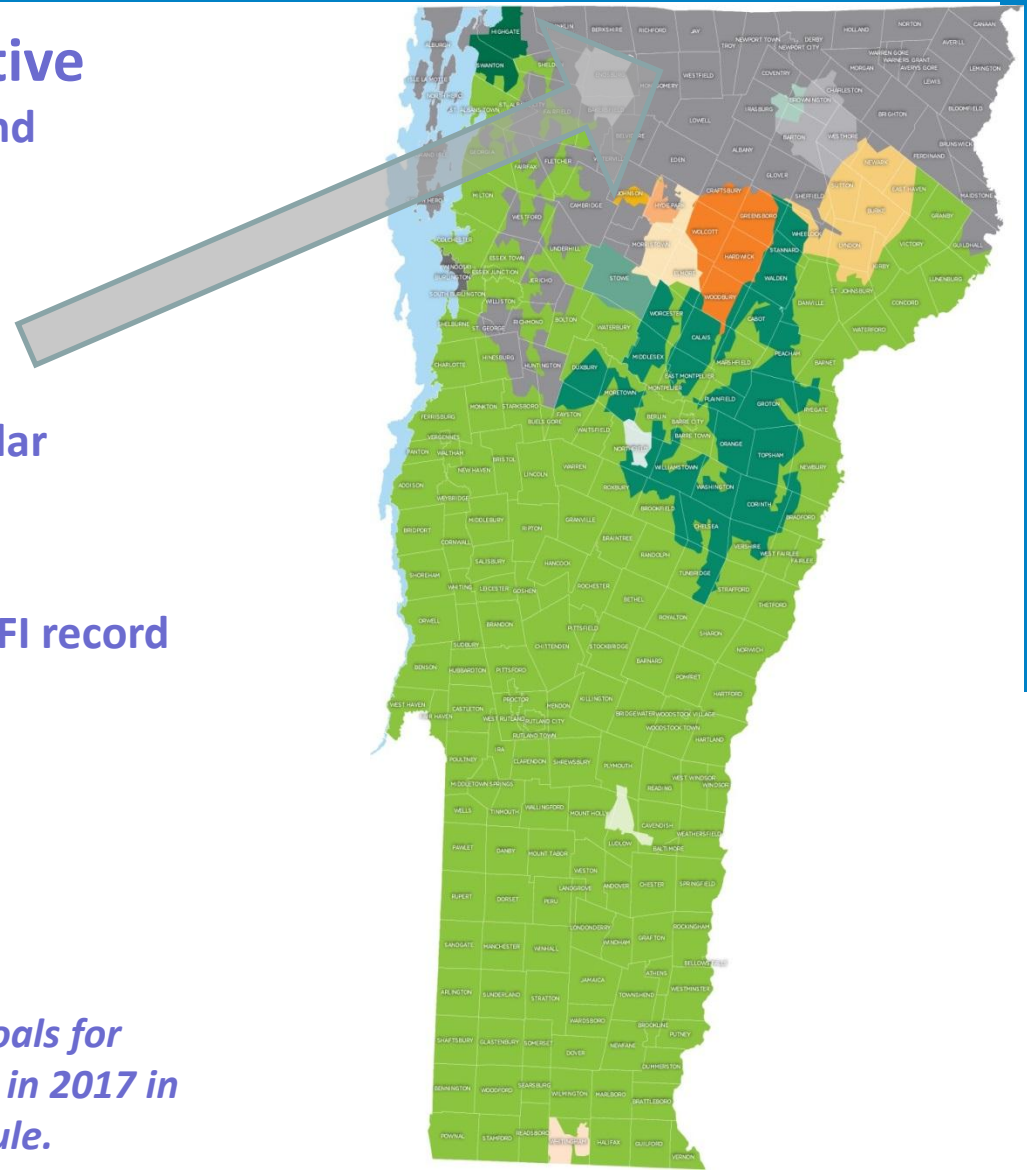
superior reliability; outstanding SAIFI record

Strong Financial Position

“A-” rating by Standard & Poor’s

Committed to Vermont

VEC met Vermont’s existing legislative goals for renewable energy requirements (SPEED) in 2017 in 2013 – nearly four years ahead of schedule.



History of Innovation @ VEC

- **2000 – Moved to a GPS based asset mapping system**
- **2001 – began experiments with 2-way (smart) metering**
- **2005 – implemented 2-way metering**
- **2008 - integrated Outage Management System**
- **2009 – Provided hourly usage monitoring to members (developed software in house)**
- **2010 – Received smart grid grant;**
- **2011 – Began DOE consumer behavior study**
- **2012 – Implemented GPS truck tracking, new SCADA system, provided Outage estimated time of recovery, Interactive Voice Response, Iphones to all field personnel**
- **2013 – Utility partnership with IBM to develop advanced weather forecasting tool, I pads to all field personnel**
- **2014 – smart phone app for usage, reporting, billpay**

Meanwhile -

- **1999 – Legislature sets 1% cap for net metering; roll back at retail rate – VEC enthusiastically supports bill**
- **2008 - Legislature raises cap to 2%; roll back at retail rate - VEC supports bill**
- **2011 - Legislature raises cap to 4%; roll back at 20C/KW-H; increases apply for next 10 years – VEC does not like bill, warns it will fight any further attempts to increase cap.**
- **2012 –**
 - **February; VEC reaches 4% cap; stops accepting; 372 installations (1 wind, 371 solar) ; 6KW installed average; \$580K/year cross subsidization**
 - WEC continues (currently 10%)
 - **September; VEC files fair market proposal with PSB for 20 year price of 15.3c/KW-H (fair market value) for roof-top solar**
 - **October; 3rd party solar developer 's cry foul; PSB punts to legislature; VEC and 3rd party solar developers negotiate agreement to bring a bill to the Vermont Legislature**
 - **November; VEC (along with Governor) announce VEC utility scale community solar**
- **2013 – VEC agrees to support legislation raising the net metering cap to 15%**

We have learned a valuable lesson -

- **Outperform the competition**
 - VEC will prevail in solar as we have the advantage of economies of scale
 - Our members trust us
- **Remain actively involved in developing the regulatory process**
- **Stay visible in the legislature**
- **Take the lead on energy storage**
- **Take back DG**
- **Take the lead in reducing energy's carbon footprint (including transportation, heating and cooling)**

We will anticipate and exceed member expectations, not just meet them