

UNITED STATES OF AMERICA
BEFORE THE
DEPARTMENT OF ENERGY
Office of Electricity Delivery and Energy Reliability

NOV -4 2015

Electricity Delivery and
Energy Reliability

Vermont Electric Power Company, Inc.)
and) Docket No. PP-82-4 _____
Highgate Joint Owners)

Application of Vermont Electric Power Company, Inc., as Agent for the Joint Owners of the Highgate Interconnection Facilities, to Amend Presidential Permit PP-82

Vermont Electric Power Company, Inc. (“VELCO”), a Vermont corporation that serves as operating-and-management agent for the Joint Owners of the Highgate Transmission Interconnection (the “Highgate Joint Owners”), hereby applies to the Office of Electric Delivery and Energy Reliability of the Department of Energy (the “Department”) to amend Presidential Permit PP-82, issued by the Department on May 14, 1985, and amended on March 1, 1994, on September 3, 2003, and again on February 7, 2005. Specifically, VELCO applies to amend PP-82 to remove the last sentence of Article 3’s preamble and paragraphs a through d of that article (the “Amendment”), which establish operating conditions and limitations that are no longer necessary because of transmission reinforcements that have been made by VELCO to the Highgate Transmission Interconnection (the “Highgate Facilities”) and other transmission facilities in northern Vermont since 1994 and because of the role of ISO New England Inc. (“ISO-NE”), as the Regional Transmission Organization for the six-state New England region, in managing real-time operation of these facilities through its operating procedures.

In addition, VELCO applies to amend PP-82 to modify the words in Article 3 “maximum instantaneous rate of transmission” with “scheduled rate of transmission” consistent with Permit (PP-89-2), which better represents the way the energy is scheduled and flows across the

Highgate Facilities and addresses any brief variations of flow that may occur without presenting any material reliability impact or risk to the transmission network.

I.

Overview

VELCO asks the Department to approve amendment of Presidential Permit PP-82 to reflect the change in transmission-system operation of the Highgate Facilities and, more specifically, the current mode of operating VELCO's bulk-transmission system in northern Vermont. The proposed change takes into consideration the operation of this network, including the Highgate Facilities, under the direction of ISO-NE, regarding voltage controls, capacitor-bank dispatch, and use of power-reactive devices introduced in this area over the years as well as retirement of the Comerford HVDC converter terminal in Monroe, New Hampshire. VELCO also made additional reinforcements to its transmission network over the last ten years that have greatly improved the overall performance of the bulk-transmission network in northern Vermont.

II.

Section 205.322(a) Information

In support of this application and pursuant to Section 205.322(a), VELCO hereby amends and updates the information required by the specific paragraphs in subsection (a), listed below, as follows:

- (1) The exact legal name of the applicant remains the "Joint Owners of the Highgate Interconnection Facilities".
- (2) The legal name of all "partners" (the Joint Owners of the Highgate Interconnection Facilities) and their respective ownership shares has changed because of the merger of Central Vermont Public Service Corporation ("CVPS") into Green Mountain Power Corporation ("GMP"). The Highgate Joint Owners and their ownership shares presently are:

City of Burlington Electric Department	7.70%
CVPS	47.52%
Vermont Electric Cooperative, Inc ¹	0.22%
GMP	34.77%
Vermont Public Power Supply Authority	9.36%
Village of Johnson Water and Light Department	<u>0.43%</u>
	100%

VELCO asks the Department to issue an administrative amendment to remove CVPS as a Joint Owner of the Highgate Facilities and increase the joint-ownership share of GMP to 82.3%.

- (3) The person to whom correspondence in regard to this application should be sent is:

Mr. Christopher Root
 Chief Operating Officer
 Vermont Electric Power Company, Inc.
 366 Pinnacle Ridge Road
 Rutland, VT 05701
 (802) 770-6231
 croot@velco.com

with a copy of all such correspondence and other communications sent to:

John H. Marshall, Esq.
 Downs Rachlin Martin PLLC
 90 Prospect Street, P. O. Box 99
 St. Johnsbury, VT 05819-0099
 (802) 473-4233
 jmarshall@drm.com

- (5) This application hereby incorporates all contracts previously filed by the Highgate Joint Owners. In addition, VELCO, on behalf of itself and as agent for the Highgate Joint Owners, may enter into contracts with the TransEnergie Division of Hydro-Quebec governing operation of the Highgate Facilities. Hydro-Quebec is a body politic and corporate, duly incorporated and regulated by the Hydro-Quebec Act (R.S.Q., Chapter H-5), that has its head office and principal place of business at 75 Rene Levesque Ouest, Montreal, Quebec, Canada.

¹ This ownership share was transferred from Citizens Communications Company.

In addition, on behalf of the Highgate Joint Owners VELCO has entered into the Transmission Operating Agreements² (Highgate Transmission Facility, HTF) with ISO-NE and the Highgate Asset Owners Agreement with the TransEnergie Division of Hydro-Quebec to govern operation of the Highgate Facilities. ISO-NE, in turn, has entered into the Highgate Interconnection Operators Agreement³ with the TransEnergie Division of Hydro-Quebec governing their joint operation of the Highgate Facilities and the facilities of Hydro-Quebec used to interconnect with the Highgate Facilities. To update the Department's records, we are also filing copies of Amendment Nos. 6 and 7 to the previously-filed, amended and restated Agreement for Joint Ownership, Construction and Operation of the Highgate Transmission Interconnection among the Highgate Joint Owners and Amendment No. 4 of the previously-filed Highgate Operating and Management Agreement between VELCO and the Highgate Joint Owners.

III.

Section 205.322(b)(1)-(2) Information

In further support of this application and pursuant to Section 205.322(b)(1) of the Department's regulations, VELCO hereby files, as Exhibits A-1 and A-2, updated maps of the general areas surrounding the Highgate Facilities and VELCO's current transmission system, respectively. VELCO has marked Exhibit A-2 to show the changes to its transmission facilities since 2005. As required by Section 205.322(b)(2) of the Department's regulations, Exhibit A-1 shows the ownership facilities at and on each side of the border.

² See ISO-NE's website at http://www.iso-ne.com/static-assets/documents/regulatory/toa/v1_er07_1289_000_toa_composite.pdf.

³ See ISO-NE's website at http://www.iso-ne.com/static-assets/documents/regulatory/co_agree/highgate_interconnection_oa.pdf.

IV.

Section 205.322(b)(3) Information

To provide additional details on the operation of the Highgate Facilities in the current transmission-system environment, VELCO hereby files the following information assessing the system performance of these facilities in VELCO'S network, a study that was conducted in collaboration with and that has the concurrence of ISO-NE:

Report

Exhibit

Highgate Converter Updated Performance Review

B-1

V.

Section 205.322(c)-(d) Information

As outlined below in this application, VELCO does not propose to make any physical changes to the Highgate Facilities but rather asks the Department to approve the Amendment to reflect the transmission-network reinforcements made since 1994 and the role of ISO-NE, as the Regional Transmission Organization, in managing the real-time operation of the transmission system through its operating procedures. Since no physical modifications are proposed, VELCO does not plan to submit an Environmental Report or any alternative analysis (in accordance with Sections 205.322(c) and (d) of the Department's regulations). In considering the Amendment sought by this application, VELCO asks the Department to find that the Amendment's modification of Article 3, without making physical changes to the Highgate Facilities, does not have the potential to result in a significant, adverse environmental impact within the meaning of the National Environmental Policy Act of 1969.

VII.

Section 205.326 Requirements

In accordance with the requirements of Section 205.326 of the Department's regulations,

VELCO has supplied copies of this application to the following:

Honorable Kimberly D. Bose
Secretary
Federal Energy Regulatory Commission
888 First Street, N.E
Washington, DC. 20426

Honorable James Volz
Chairman
Vermont Public Service Board
112 State Street, Drawer 20
Montpelier, VT 05620-2701

Honorable Christopher Recchia
Commissioner
Vermont Department of Public Service
112 State Street, Drawer 20
Montpelier, VT 05620-2601

VELCO also files a check in the amount of \$150.00, made payable to the Treasurer of the United States, in payment of the fee required by 10 C.F.R. § 205.326.

VIII.

Section 205.322(e) Opinions and Verifications

By this reference, VELCO incorporates the opinions of counsel previously provided with respect to the Highgate Facilities. VELCO represents that no material change has occurred with respect to the corporate powers of VELCO, itself or as agent for the Highgate Joint Owners.

VELCO hereby also files a verification executed by the officer of VELCO having knowledge of the matters set forth in this application, as required by Section 205.322(e) of the Department's regulations.

IX.

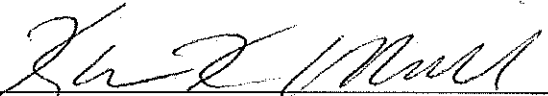
Request for Action

VELCO, on behalf of itself and the Highgate Joint Owners, requests that the Department of Energy (1) approve the proposed Amendment to Article 3 of Presidential Permit PP-82 to reflect reinforcements to VELCO's transmission system made since 2005, including to the Highgate Facilities, and ISO-NE's role as the Regional Transmission Organization in New England and (2) amend PP-82 to reflect the merger of one Highgate Joint Owner, CVPS, into another, GMP, and substitute the language "maximum instantaneous rate of transmission" with "scheduled rate of transmission" to better reflect the way energy is scheduled and flows over the Highgate Facilities.

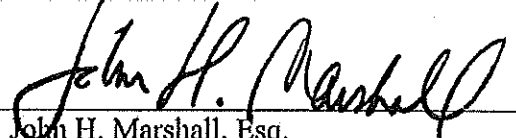
Rutland Town, Vermont. Nov. 02, 2015.

Respectfully submitted,

VERMONT ELECTRIC POWER COMPANY, INC.
(for itself and as agent for the Joint Owners of the Highgate Interconnection Facilities)

By: 
Karen O'Neill, General Counsel & Corporate Secretary

Of counsel: Downs Rachlin Martin PLLC

By: 
John H. Marshall, Esq.

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