



## Central Vermont Public Service NEWS RELEASE

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### **CVPS seeks approval for first part of Southern Loop solution**

Embracing the first of several recommendations from a Community Working Group focused on improving southern Vermont transmission reliability, Central Vermont Public Service has asked state regulators for permission to install voltage support equipment that could delay the need for new line construction in southwest Vermont.

“I expect this will be the first of several steps we take based on the Community Working Group’s final recommendations, which include increased energy efficiency efforts, some local generation, and some transmission construction in eastern Vermont,” CVPS President Bob Young said. “The installation of this equipment would dramatically improve southern Vermont’s transmission reliability, and give us more time to study and implement other recommendations from the Community Working Group.”

In a petition filed with the Vermont Public Service Board, CVPS sought approval for the purchase and installation of two synchronous condensers along the Southern Loop, a 66-mile transmission line that runs from Bennington to Brattleboro. Synchronous condensers are rotating machines similar to motors, used to control power flow on electric power transmission systems without burning fuel.

If approved, the \$10 million project would be built in an isolated area on Kendall Farm Road in Winhall near Stratton. The condensers would be enclosed in a building designed to look like a horse barn, located in a substation yard largely screened from view from the road. CVPS plans to conserve an adjacent lot of land through the Vermont Land Trust to mitigate any impact on the area. The company wants to begin construction in 2007.

The Community Working Group that recommended the synchronous condensers is part of a wide-ranging public outreach effort conducted over the past year by CVPS and the Vermont Electric Power Company, or VELCO, to find solutions to growing transmission reliability issues in southern Vermont. Rather than simply propose a series of solutions to regulators, the companies created an unprecedented public involvement program to gather input first.

It started last year with the creation of a Leadership Team, which included local members of the Vermont Legislature, environmentalists, business leaders and utility customers from southern Vermont. They produced a problem statement and selected dozens of people to participate in a two-day event to examine potential solutions.

The Leadership Team’s problem statement read: “Southern Vermont electrical transmission facilities have limited ability to support increased electrical demand and are unable to withstand failures of, or to have preventive maintenance conducted on, key components at present demand levels. The reliability of the regional bulk transmission system that connects southern Vermont, southwestern New Hampshire and northwest Massachusetts is at risk at existing demand levels, with increasing reliability risk as regional electrical demand levels increase.”

After the two-day conference in January, in which participants made numerous recommendations on how best to address the problems on the Southern Loop, the Community Working Group was formed from among the participants to review and refine the list of potential options being considered. Ultimately, the CWG recommended three alternatives, each of which included the synchronous condensers, various levels of energy efficiency spending, local generation and line construction.

“We are already working with Efficiency Vermont and the state to examine how we could target energy efficiency dollars, and we will issue a request for proposals for some distributed generation in the coming months,” Young said. “Simultaneously, we are continuing to work with VELCO to study the construction alternatives in eastern Vermont, and will extend our public outreach effort in Windsor and Windham counties to ensure folks there have an opportunity to provide input before we settle on a proposal.”

John Donleavy, president of VELCO, said the public input on the Southern Loop had been invaluable. “This process works; we have the tremendous benefit of local insights, concerns and priorities that will ultimately inform our plans for regulatory consideration. VELCO and other utility partners are now engaging in a similar type of public engagement in other areas of the state facing transmission system reliability challenges. It’s a better way for Vermont.”