

REGIONAL ISSUES COMMITTEE – Meeting Minutes

Wednesday, April 27, 2022 via Zoom

I. Call to Order

The meeting was called to order at 4:01 pm by CJ Hoss. The meeting was recorded.

<u>Committee Members Present</u> John Duval, Chair of BRPC Andrew Groff, Williamstown Kyle Hanlon, North Adams CJ Hoss, RIC Chair, Pittsfield Sheila Irvin, Pittsfield Christine Rasmussen, Stockbridge Eleanor Tillinghast, Mount Washington (non-Commission member)

<u>Committee Members Absent</u> Chris Rembold, Great Barrington

<u>BRPC Staff Present</u> Laura Brennan, Economic Development Program Manager Wylie Goodman, Senior Economic Development Planner Justin Gilmore, Transportation Planner Clete Kus, Transportation Program Manager

<u>Guests Present</u> Nicholas Hutchings, ISO New England Inc.

I. Approval of March 23rd, 2022, Meeting Minutes

Sheila I. made a motion to approve, John D. seconded. No discussion. Minutes from March 2022 were approved via roll call vote, with Eleanor T. abstaining.

II. Guest Speaker – Nicholas Hutchings, ISO New England Inc.

CJ introduced this topic as a continuation of our previous discussions regarding the capacity of our electrical grid to absorb additional needs of electric vehicles, transition of fossil fuel heating systems to electrification, etc.

Nicholas Hutchings briefly introduced his work for ISO New England. He has worked with them in the External Affairs Department for two years, and prior to that with HydroQuebec and the Mass Statehouse, among others.

His discussion focused on how the electric grid in the Northeast is changing. ISO has been around for two decades and is regulated by the Federal Energy Regulatory Commission (FERC). They are the Reliability Coordinator for New England under the North American electric Reliability Corporation (NERC). NERC sets reliability standards for the U.S. ISO has no financial stake in the markets it oversees. Their three main responsibilities are Grid

Operation (serve the role of a traffic controller for power generation, with daily operating plans designating which plants will run, meeting supply and demand in real time at the least cost possible within engineering constraints), Market Administration (Energy, Capacity, and Ancillary Services markets where wholesale electricity is bought and sold), and Power System Planning for the region on a 10-year basis.

Energy Market is by far the largest of the three, at \$6.1 billion in transactions in 2021. Ancillary Services is smallest, covering support services for the grid. Capacity Market is second largest, with auctions happening three years in advance.

ISO's responsibility is the high voltage system, with lines at 115kV and above. Their network includes 9,000 miles of high voltage lines. They also oversee interconnections to neighboring areas. We get a significant amount of our energy transmission from New York and Eastern Canada.

Transmission Planning - Nicholas showed an organizational chart of ISO's place within the larger industry structure. A Planning Advisory Committee (PAC) serves as a stakeholder liaison to gather public input. ISO develops a Regional System Plan on a 10-year horizon to ensure the grid can meet reliability standards set by NERC. It includes projects underway or proposed. A Regional System Plan is put out every 2 to 3 years, summarizes the long-range plan and planning process on a 10-year horizon. Since 2002, more than 800 project components have been placed in service across the region to fortify the transmission system; there are close to 50 projects planned, proposed, or under construction through 2025. These projects reinforce key load centers (Boston metro, Southwest CT) reinforce areas that have experienced significant growth (northwestern VT) and enable better power transfer within New England (e.g., between eastern and western New England).

A Study Scope leads to a Needs Assessment which identifies transmission system needs to maintain the reliability of the facilities while promoting operation of efficient wholesale electrical markets. Reliability needs are the primary focus. Other possible needs are market efficiency (in the case of congestion in the system), and public policy transmission needs, in which the NE states and stakeholders would identify a public policy need which would be the driver of a transmission upgrade. To date, they have run this process twice, in 2017 and 2020. In both of those years, public policy needs were not identified by the states. The next initiation of a Public Policy Transmission Needs Assessment would be in 2023.

In the case of developer-sponsored projects, which are voluntary and are not related to regional reliability needs, it is the ISO's role to ensure that any resulting interconnecting transmission project does not have an adverse impact on system reliability. Currently, this is the primary mechanism that state-sponsored projects have used to expand access to clean energy resources.

Nicholas shared a list of economic studies, developed as requested to inform policymakers and stakeholders. These types of analyses do not provide a direct path for building transmission projects. These include two **pending** reports: 2020 National Grid, which will analyze potential pathways to best use of the MWh of clean energy resources to meet sate goals cost effectively, and the 2021 New England Power Pool (NEPOOL), which will assess the future state of New England's power system that includes: defining scenarios, studying whether the ISO can operate the grid reliably under status-quo market mechanisms, considering what products and attributes are missing, and discussing what market changes could be developed in response to any identified gaps in reliability or resource needs.

Trends Transforming the Grid – In order to achieve greenhouse gas reduction and clean energy goals economy-wide, New England states are undertaking a number of policies and means to bring a significant amount of clean energy onto the grid. ISO estimates a large increase in solar installations in MA. At the end of 2021, there was close to 4,800 MW

installed capacity. Through the various state programs that exist, they anticipate there being close to 11,000 MW on the system in 2031. Energy efficiency projections suggest heating electrification and transportation could increase peak demand by 2030. Interconnection requests in the queue have also shifted from natural gas to wind (2017-2022). The ISO also forecasts the amount of solar PV on the system and how much is anticipated over the next 10 years.

A range of studies are currently investigating what will affect the future grid. These include weather (<u>report expected in 2023</u>), transmission, operations (<u>up-to-date information</u> <u>available here</u>), markets (<u>final findings available</u>), and reliability (<u>final report available</u>).

The 2050 Transmission Study is a high-level study for the years 2035, 2040, and 2050, and what investments are needed to accommodate the goals of the states. Electrification of heat and transportation are on the horizon with system peaks shifting to winter with use of more heat pumps. This report looks well beyond the ISO's 10-year horizon but is *not* a plan to build specific projects.

John D. asked about whether hydro-electric from Canada is still being prioritized. Nicholas believed this is still included in Massachusetts long-term planning. Entities in Maine also have strong connections to Canada. John asked about cybersecurity concerns, which were not covered in the presentation. Nicholas will get us more information about cybersecurity policies and approaches.

CJ asked about specific mechanisms for ensuring that the grid can handle increasing demand, especially in light of shifts away from fossil fuels. Nicholas explained that ISO ensures that they have sufficient resources to meet demand is through the Capacity Market. The Capacity, Energy, Load and Transmission (CELT) report, which seeks to identify what the peak will be each year for the next ten years. Projections about peak needs are an underpinning for the Forward Capacity Market each year, ensuring that we have ample resources three years ahead of time. Nicholas indicated that while siting renewable projects is extremely difficult in New England, the ISO has mechanisms to ensure reliability going forward. Andrew G. noted that new transmission towers and sub-station infrastructure are needed, which may necessitate changes in our land use policy.

Clete K. asked about the magnitude of future demand increases, and what facilities will look like in terms of their expansion. Nicholas responded that he cannot estimate the magnitude but that there will need to be an expansion of both the transmission system to move large bulk power, and the distribution system, to meet our needs in 2050. The lines need to be big enough to meet peak demand. Clete asked if this infrastructure increase comes at the expense of the rate payers, and Nicholas confirmed that the bulk of projects are ratepayer funded. DPU docket 20-75 looks at long-term DER planning and cost allocation. DPU 20-80 is the future of natural gas docket, detailing shift from fossil fuels to electricity.

IV. Discussion of Open Meeting Law/Remote Participation

Proposed legislation around the Open Meeting Law requirements and allowing for remote participation that Laura B. shared prior to the meeting is currently in a holding pattern. The group discussed developing a comment letter and if there might be someone they should bring in to discuss the pros and cons. Eleanor T. did not think we needed someone to speak to us but that we should write a letter in support sooner than later. Andrew G. concurred that we should prepare a letter expressing support for allowances for remote and hybrid moving forward. Eleanor T. made a motion to request staff respond as necessary to draft a letter to support remote and hybrid meetings. Andrew G. seconded.

V. Topics for Future Consideration

The group agreed to focus on the pending Open Meeting law and the topic of remote/hybrid participation at the next meeting. Electrical grid cybersecurity/physical plant security could be an additional topic. The group would need to identify potential speakers for both.

VI. Next Committee Meeting Date – May 25, 2022

VII. Adjournment

Sheila I. made a motion to adjourn. John D. seconded. The meeting was adjourned at 5:16 p.m.