

**STATE OF VERMONT
PUBLIC UTILITY COMMISSION**

Case No. 25-2590-PET

Petition of Vermont Transco LLC and Vermont Electric Power Company, Inc., pursuant to 30 V.S.A. § 248(j), to amend the certificate of public good issued in Docket No. 4905, as amended in Docket No. 4905-A	
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**COMMENTS FROM THE VERMONT DEPARTMENT OF PUBLIC SERVICE REGARDING
THE VELCO PETITION TO AMEND ITS HIGHGATE INTERCONNECTION FACILITIES’
CERTIFICATE OF PUBLIC GOOD**

On October 21, 2025, the Vermont Electric Power Company, Inc. and Vermont Transco, LLC (collectively referred to as “VELCO”) filed a petition with the Vermont Public Utility Commission (“Commission”), under 30 V.S.A. § 248(j), requesting to amend its certificate of public good (“CPG”) to authorize increasing the operating capacity of the interconnection-line portion of the Highgate Transmission Facilities from 225 MW to 250 MW (the, “Project”). The Commission deemed VELCO’s petition administratively complete in a memorandum issued on October 27, 2025.

On August 10, 1984, in Docket No. 4905, the Commission issued a CPG authorizing VELCO to construct and operate the Highgate Transmission Facilities, consisting of two key components: 1) a back-to-back converter terminal with an operating capacity of 200 MW which converts electricity imported from Canada to direct current and then back to alternating current so it may be accommodated by VELCO’s transmission system, and 2) a 345 kV transmission line which operates at 120 kV (known as the “1429 Line”).¹ The combined function of the Highgate Transmission Facilities is to convert and transmit power from Quebec to Vermont and VELCO’s existing 115 kV transmission system. On January 1, 1995, in Docket No. 4905-A, the Commission issued a CPG amendment authorizing VELCO to

¹ The 1429 Line runs roughly 7.5 miles from the United States-Canada border near Franklin, Vermont, to the Converter Station in Highgate, Vermont.

increase the Highgate Transmission Facilities' back-to-back direct-current converter terminal's operating capacity from 200 MW to 225 MW.

VELCO has proposed the Project to amend its CPG to authorize a further increase in this operating capacity from 225 MW to 250 MW to enhance the reliability of the electric system in Northern Vermont and allow for additional electricity to be imported from Canada as a back-up power source in the event of an energy shortfall. During extreme cold and other emergencies, ISO-NE may require transmission facility owners such as VELCO to shed electric load within its service territory. In such circumstances, Vermont Electric Cooperative, Inc. ("VEC") can serve its customer's load directly from the 1429 Line's Canadian electric imports and disconnect from the broader Vermont electric system, an ability known as the Highgate Block Load. The Project will provide VEC's Highgate Block Load up to 23 MW of backup electricity. This is because the 1429 Line suffers roughly 2 MW of transmission losses and VELCO intends to offset these losses via the Project. Moreover, VELCO intends to functionally operate the Highgate Transmission facility at its full capacity of 225 MW, not 250 MW, with an interchange at the U.S.-Canada border of approximately 227 MW (the 23 MW backup being the difference).

The Department of Public Service ("Department") has reviewed the petition, including the entire unredacted confidential Exhibit PET-JP-04 – Highgate Converter Performance Review, and has not identified any concerns under the statutory criteria within its expertise nor under Commission Rules.

A CPG for the construction of an electric facility may be granted under 30 V.S.A. § 248(j), without the full notice or hearing requirements of a typical 30 V.S.A. § 248 petition, under specific circumstances. To be eligible for a 30 V.S.A. § 248(j) CPG, a project must be of limited size and scope, not raise

significant issue under the substantive criteria of 30 V.S.A. § 248, and the public interest must still be satisfied through the reduced and expedited process available under 30 V.S.A. § 248(j).²

VELCO's request, in this proceeding, to further raise the Highgate Transmission Facilities' operating capacity from 225 MW to 250 MW would be achieved administratively and would not require any construction activities or physical alterations to the Highgate Transmission Facilities. Therefore, the Project does not present the potential for undue adverse impacts to aesthetics or orderly development of the region.³ The Project was reviewed by the United States Department of Energy and was authorized under Presidential Permit Amendments 82-3 and 82-4.

VELCO states that the Project could affect Vermont electric utilities with resources located within the Sheffield-Highgate Export Interface ("SHEI") and SHEI related constraints by altering the electrical load within the SHEI or increasing the maximum electrical throughput of the Highgate Transmission facilities. However, VELCO asserts that such impacts have a low probability of occurring because electricity imports have been declining the past few years, the K42 transmission line upgrades are expected to alleviate SHEI constraints, and Sheffield Wind has requested to repower at a lower output capacity. Moreover, VELCO represents that it has thoroughly discussed the potential SHEI-related ramifications of the Project with Vermont's retail electric distribution utilities and that none of them object to the Project.

The Department did not identify any issues pursuant to the 30 V.S.A § 248 criteria and supports VELCO's petition because the evidence indicates that the Project aligns with principles of reliability in operation of the electric system, promotes resilience of electric service for customers in the face of risk of major storms or other events, and maximizes affordability by using a Project with minimal cost to

² 30 V.S.A. § 248(j)(1).

³ The Northwest Regional Planning Commission filed a public comment in the advanced notice Case No. 25-0779-AN, which stated that the Project conforms with the regional plan.

accomplish the prior goals. As identified in VELCO's prefiled testimony, making the best use of existing transmission infrastructure to reduce costs and enhancing customer experience are principles embodied in the Department's Comprehensive Energy Plan. This approach also comports with the consensus of participants at workshops held pursuant to the Commission's resilience proceeding. Additionally, given that the study results provided findings of no adverse electrical system impacts and did not indicate that there would be adverse impacts to public health and safety, the Department agrees with VELCO that the filing should be afforded an expedited process under 30 V.S.A. 248(j) as petitioned.

For these reasons, the Department recommends that the Commission approve VELCO's petition without hearings or further investigation. Thank you, please do not hesitate to contact me with any questions or concerns.

Dated at Montpelier, Vermont, this 1st day of December 2025.

VERMONT DEPARTMENT OF PUBLIC SERVICE

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