

STATE OF VERMONT
PUBLIC SERVICE BOARD

Docket No. 7112

Petition of Vermont Electric Cooperative, Inc. for a)	
waiver of the prohibition upon site preparation for and)	Hearing at
construction of an electric transmission facility)	Montpelier, Vermont
concerning the emergency installation of an 833 kVA)	October 26, 2005
transformer at its Underhill substation located in)	
Underhill, Vermont)	

Order entered: 10/26/2005

PRESENT: William B. Jordan, Hearing Officer

APPEARANCES: Sarah Hofmann, Esq.
for Vermont Department of Public Service

Victoria Brown, Esq.
for Vermont Electric Cooperative, Inc.¹

I. INTRODUCTION

On October 26, 2005, the Vermont Public Service Board ("Board") received a petition pursuant to 30 V.S.A. § 248(k) from Vermont Electric Cooperative, Inc. ("VEC" or "Company"), seeking a waiver of Section 248's general prohibition against site preparation and construction of electric transmission facilities without Board pre-approval. The subject of the requested waiver is the emergency replacement of a failed single-phase 333 kVA transformer with a spare single-phase 833 kVA transformer at VEC's Underhill substation in Underhill, Vermont.

On October 26, 2005, the petition was served on the Vermont Department of Public Service ("Department") and the Vermont Agency of Natural Resources ("ANR"). The Board appointed me as Hearing Officer to conduct the expedited preliminary hearing on the request for a waiver, and to prepare a Proposal for Decision in this Docket. On October 26, 2005, the

1. Victoria Brown and VEC's witness, Harry Abendroth, appeared by telephone.

Department filed a letter stating that it supports the waiver filed by VEC for a period not to exceed six months.

An expedited preliminary hearing was held as scheduled on October 26, 2005, at 1:30 p.m., after providing notice to VEC, the Department, and ANR.² At the hearing, the Department stated that it was authorized to represent that ANR did not object to VEC's petition. Also at the hearing, in response to my questions, VEC presented additional evidence in support of its request for a waiver. Lastly, at the hearing, VEC and the Department stated that they waive the opportunity to comment on this Proposal for Decision in accordance with 3 V.S.A. § 811, provided that this Proposal for Decision is not materially different than the proposed order filed by VEC on October 26, 2005.

II. FINDINGS OF FACT

Based on the evidence of record and the testimony presented at the expedited hearing, I hereby report the following findings to the Board in accordance with 30 V.S.A. § 8.

1. VEC is a company, as defined in 30 V.S.A. § 202. Pet. at 1.
2. VEC owns and operates a substation in Underhill, Vermont. The Underhill substation currently has three single-phase transformers, two rated at 333 KVA and one rated at 833 kVA. The transformers step down voltage from 34.5 kV to 7.2 kV. Abendroth pf.³ at 1; tr. 10/26/05 (Abendroth).
3. One of the 333 kVA transformers failed during the storm that occurred during the night of October 25-26, 2005. The approximately 500 customers who are served by the Underhill substation are presently without service as a result of the transformer failure. Abendroth pf. at 1.
4. VEC has maintained a spare transformer rated at 333 kVA, but that spare is currently being used in the Company's Jay substation. The only other spare transformers immediately available are rated at 833 kVA or larger. Abendroth pf. at 1.

2. 30 V.S.A. 248(k)(2) provides that "the board shall conduct an expedited preliminary hearing, upon such notice to the governmental bodies listed in subdivision (a)(4)(C) of this section as the board may require." Due to the emergency nature of the matter, the Board found it reasonable to issue advanced notice to only the Department and ANR. All governmental bodies listed in subdivision (a)(4)(C) of Section 248 will receive a copy of this Order.

3. VEC filed an Affidavit of Harry R. Abendroth, which I have cited as prefiled testimony in the Findings of Fact.

5. By installing the 833 kVA transformer, VEC will not change the operation of the substation and associated equipment. Abendroth pf. at 1.

6. All work will be performed within the existing substation, and operation of the substation will not change. Abendroth pf. at 1.

7. Installation of the new transformer will have no significant impacts on any of the criteria of Section 248. Abendroth pf. at 1; tr. 10/26/05 (Abendroth).

8. VEC expects that, within six months, it should be able to either replace the 833 kVA transformer with one rated at 333 kVA or submit an application under 30 V.S.A. Section 248 seeking Board review of the retention of the 833 kVA transformer, or some other permanent alternative. The six-month time period is based on VEC's desire to avoid any further substation outages during the winter. Abendroth pf. at 2.

9. The immediate replacement of the transformer is necessary because an emergency situation has occurred. Pet. at 1.

10. The waiver is necessary to provide adequate and efficient service to approximately 500 customers. Pet. at 1.

III. DISCUSSION

The evidence presented in the petition and at the preliminary hearing demonstrates that the criteria for Section 248(k) have been met for issuance of the requested waiver for the temporary installation of the single-phase, 833 kVA transformer to replace a failed single-phase, 333 kVA transformer. Specifically, the evidence shows that there is presently an emergency situation with approximately 500 customers without power due to the failure of the 333 kVA transformer, that the waiver is necessary to provide adequate and efficient service, and that the waiver will promote the general good of the state.

Although VEC did not state that a 833 kVA transformer was needed for reasons relating to capacity, the 833 kVA transformer is needed only in the present situation because a spare 333 kVA transformer is not available, and the only other spare transformer immediately available is rated at 833 kVA. I have determined that VEC's request to temporarily install the larger-

capacity transformer for a period of six months, to avoid a planned substation outage during the winter, is reasonable.

IV. CONCLUSION

For the reasons stated above, I recommend that the Board grant the requested waiver of the prohibition against site preparation and construction of electric transmission facilities for the temporary replacement of the transformer. I further recommend that the Board include in the waiver the conditions set forth in the following Order.

Dated at Montpelier, Vermont, this 26th day of October, 2005.

s/ William B. Jordan
William B. Jordan
Hearing Officer

V. ORDER

IT IS HEREBY ORDERED, ADJUDGED AND DECREED by the Public Service Board of the State of Vermont that, pursuant to 30 V.S.A. § 248(k), the prohibition of 30 V.S.A. § 248(a)(2) against site preparation for, and the installation of, a single-phase 833 kVA transformer, to replace a failed single-phase 333 kVA transformer by Vermont Electric Cooperative, Inc. at its Underhill substation prior to the issuance of a certificate of public good, is waived, subject to the following conditions.

1. The transformer shall be installed in accordance with the evidence submitted by VEC in this proceeding.

2. By April 26, 2006, VEC shall either replace the temporarily-installed 833 kVA transformer with a 333 kVA transformer, or shall file a petition for a certificate of public good authorizing the permanent replacement of the failed single-phase 333 kVA transformer with the 833 kVA transformer.

Dated at Montpelier, Vermont, this 26th day of October, 2005.

<u>s/ James Volz</u>)	
)	PUBLIC SERVICE
)	
<u>s/ David C. Coen</u>)	BOARD
)	
)	OF VERMONT
<u>s/ John D. Burke</u>)	

OFFICE OF THE CLERK

FILED: October 26, 2005

ATTEST: s/ Susan M. Hudson
Clerk of the Board

NOTICE TO READERS: This decision is subject to revision of technical errors. Readers are requested to notify the Clerk of the Board (by e-mail, telephone, or in writing) of any apparent errors, in order that any necessary corrections may be made. (E-mail address: Clerk@psb.state.vt.us)

Appeal of this decision to the Supreme Court of Vermont must be filed with the Clerk of the Board within thirty days. Appeal will not stay the effect of this Order, absent further Order by this Board or appropriate action by the Supreme Court of Vermont. Motions for reconsideration or stay, if any, must be filed with the Clerk of the Board within ten days of the date of this decision and order.