

**STATE OF VERMONT  
PUBLIC SERVICE BOARD**

Petition of Champlain VT, LLC d/b/a TDI New England )  
for a Certificate of Public Good, pursuant to 30 V.S.A. §248, )  
authorizing the installation and operation of a high voltage )  
direct current (HVDC) underwater and underground electric )  
transmission line with a capacity of 1,000 MW, a converter )  
station, and other associated facilities, to be located in Lake )  
Champlain and in the Counties of Grand Isle, Chittenden, )  
Addison, Rutland, and Windsor, Vermont, and to be known )  
as the New England Clean Power Link Project (“NECPL”) )

Docket No. 8400

**Stipulation between Champlain VT, LLC and Burlington Electric Department**

This Stipulation (“the Stipulation” or “Stipulation”), dated the 28<sup>th</sup> day of July, 2015, sets forth Stipulations reached by Champlain VT, LLC d/b/a TDI New England (“TDI-NE” or Petitioner), a Delaware limited liability company with its principal office at 600 Broadway, Albany, NY 12207, and Burlington Electric Department (“BED”), collectively, the “Parties,” in connection with the above-captioned Vermont Public Service Board (“Board”) docket.

WHEREAS, TDI-NE filed a Petition with the Board in December 2014, requesting permission to develop, construct, and operate the New England Clean Power Link (“NECPL” or “Project”), a proposed electric transmission line; and

WHEREAS, the electricity shipped through the NECPL will be generated by renewable energy sources in Canada and will be delivered to Vermont and the New England electric grid. The transmission line will utilize high voltage direct current (HVDC) technology, capable of transmitting 1,000 megawatts (MW) of electricity; and

WHEREAS, the transmission line will begin at a converter station in the Province of Québec, Canada and transmit electricity from Alburgh, Vermont to Ludlow, Vermont, where it will tie into a new converter station. The Ludlow converter station will convert the electrical power from direct current (“DC”) to alternating current (“AC”) and then connect to the 345 kV Coolidge Substation in Cavendish, Vermont that is owned by the Vermont Electric Power Company (“VELCO”); and

WHEREAS, the underwater portions of the transmission line, approximately 97 miles in length, will be buried in the bed of Lake Champlain, except at water depths of greater than 150 feet where the cables will be placed on the bottom. The terrestrial portions of the transmission line, approximately 57 miles in length, will be buried underground within existing public rights-of-way (“ROWS”); and

WHEREAS, ISO-New England's ("ISO-NE") review process for the NECPL as an Elective Transmission Upgrade is ongoing, and the final System Impact Study (SIS) and I.3.9 approval is controlled by ISO-NE; and

WHEREAS, ISO-NE will assume operational control of the Project once it is placed into service; and

WHEREAS, TDI-NE has entered into Stipulation agreements with Green Mountain Power Corporation ("GMP"), the Vermont Agency of Natural Resources ("ANR"), the Vermont Public Service Department ("DPS"), and the Vermont Division for Historic Preservation ("DHP") on July 17, 2015, and with the Vermont Electric Power Company ("VELCO") on July 24, 2015, regarding the Project and proposed conditions to be incorporated into a Certificate of Public Good issued for the Project; and

WHEREAS, the Stipulation agreement with DPS, ANR, and DHP provides for the establishment of a Lake Champlain Enhancement and Restoration Trust Fund Advisory Board ("Advisory Board") and affords TDI-NE the right to appoint two "at large" delegates to three year terms on such panel ("Delegate Seats"); and

WHEREAS, the Parties have engaged in discussions concerning the Project and, subject to the terms of this Stipulation, agree that the Project will promote the general good and otherwise meet the criteria of section 248, and consequently that the Board should approve TDI-NE's petition to construct and operate the NECPL.

THEREFORE, in consideration of the foregoing and, provided that the PSB approves the Project consistent with TDI-NE's Petition and this Stipulation, and TDI-NE chooses in its sole discretion to construct and operate the Project, the Parties agree as follows:

1. The Parties agree that, provided TDI-NE fulfills the terms of this Stipulation, the Project will promote the general good and otherwise meet the criteria of section 248(b)(3) and (b)(10), and consequently the Board should approve the Project and issue an Order and Certificate of Public Good ("CPG") in this matter in accordance: (i) with the plans and specifications submitted with TDI-NE's petition; (ii) with the terms and conditions of this Stipulation; (iii) and with the terms and conditions of the Stipulation agreements entered into by TDI-NE and GMP and by TDI-NE and DPS on July 17, 2015, and by TDI-NE and VELCO on July 24, 2015.

2. System Impacts.

- a. The Parties agree that the Project may have adverse impacts on system stability and reliability (including impacts on Vermont's transmission and subtransmission system) which have not yet been identified in a System Impact Study ("SIS").
- b. The Parties agree that so long as BED is allowed to participate in any SIS process associated with the Project and the terms and conditions stipulated by TDI-NE and GMP and by TDI-NE and DPS regarding the SIS process are incorporated into a CPG issued by the Board for this Project, issues raised by BED with regard to system impacts to Vermont's transmission system are satisfactorily addressed by TDI-NE with respect to the section 248 proceeding.
- c. The Parties agree that the protections extended to GMP in Section 5 of the GMP Stipulation Agreement dated July 17, 2015, will apply to, in addition to VELCO and GMP, all other electric load-serving utilities in Vermont.

3. Renewable Energy-Lake Cleanup Project

- a. The Parties agree that:
  - i. Producing local renewable energy and aiding in the cleanup of Lake Champlain are important goals for Vermont, and consistent with each Party's commitment to a cleaner planet;
  - ii. Renewable power technologies have the potential to meet both goals simultaneously, and developing such a commercially viable project is in the best interest of Vermont communities, especially those in the Lake Champlain watershed;
  - iii. BED, by virtue of its national leadership in sourcing renewable generation and proximity to Lake Champlain, has unique standing to explore new and existing renewable technologies that meet these dual goals.
- b. The Parties agree that TDI-NE will provide funding of up to \$750,000 (for a total project of \$1,500,000) to BED, subject to BED receiving approval of the Burlington City Council, over five years to study and/or develop a commercially viable generation solution in the BED service territory, or in a surrounding community, that meets the goals outlined in section 3(a) above. Following an initial contribution of \$200,000, which shall only occur after the date of financial close on the NECPL Project, TDI-NE will have discretion over subsequent distribution amounts and the timing thereof.

- c. The Parties agree that prior to receiving the first \$200,000 contribution from TDI-NE, BED must: (i) receive approval to accept funds from the Burlington City Council; (ii) establish a working group to discuss the terms and manner of TDI-NE's contribution; (iii) produce a project plan; and (iv) make matching funds available.
    - d. The Parties agree that this renewable generation project may serve as a pilot for communities across Vermont, and, as such, BED will seek input from and appropriately share its findings among those utilities, provided that commercially sensitive information is adequately protected through confidentiality agreements or other such protective measures.
    - e. As a project contributor, TDI-NE is entitled to access all information associated, financial or otherwise, with the project.
4. TDI-NE has been authorized to conduct an open solicitation process for NECPL's transmission capacity consistent with the requirements of the Federal Energy Regulatory Commission (FERC). The Parties agree that BED's extensive portfolio of renewable generator ownership and long term contracts may limit its ability to benefit from the Locational Marginal Price benefits of the Project. Therefore, to the extent that, at the conclusion of the open solicitation process, NECPL's transmission capacity has not been fully allocated, the Parties agree that, subject to any applicable FERC requirements:
  - a. Prior to the Project's commercial operation date the Parties shall initiate good faith negotiations for up to 30MW of transmission service on the NECPL for a term of up to 20 years.
  - b. The price of such transmission service shall be generally consistent with market prices; however, the price offered to BED shall not exceed the lowest price received by TDI-NE for transmission service over the NECPL as of the time that negotiations conclude.
  - c. TDI-NE shall provide BED notice of the availability of unallocated transmission capacity and BED shall have 45 days from the date of notice to accept up to 30 MW of transmission service at the lowest price received by TDI-NE for transmission service over the NECPL for a term of up to 20 years.
5. TDI-NE will, within the first ten years of the life of the Advisory Board, appoint a person recommended and designated by the City of Burlington to one of the two available Delegate Seats for a single term.

6. Other Provisions

- a. Any disputes arising under this Stipulation shall be resolved by the Board under Vermont Law.
- b. TDI-NE shall file supplemental testimony and exhibits that memorialize, as necessary, the conditions of this Stipulation.
- c. BED will support issuance of a CPG by the Board and will not take actions during the section 248 proceeding to oppose the Project or otherwise undermine this Stipulation, provided that the terms of this Stipulation have been satisfied.
- d. The Parties agree that any action, whether formal or informal, that each may elect to take before any other federal, state, or municipal regulatory entity concerning the Project shall be consistent with this Stipulation.
- e. This Stipulation represents the entire Stipulation between the Parties with respect to the Project. It may be modified only upon mutual written Stipulation by the Parties and is subject to any necessary Board approvals.
- f. Other than as may be specifically provided herein, this Stipulation shall not constitute an admission of any fact or law by any Party concerning the Project or any impacts related to the Project. This Stipulation shall not be construed as having precedential impact in any future section 248 proceeding concerning the Project, except as necessary to implement this Stipulation or to enforce an order of the Board resulting from this Stipulation.
- g. This Stipulation should not be construed by any party or tribunal as having precedential or any other impact on any other proceeding involving a different project, different subject matter, or other parties. With respect to such proceedings, the Parties reserve the right to advocate positions that differ from those set forth in this Stipulation.
- h. This Stipulation pertains only to the Project as it is presently proposed at the time the Agreement is executed. Prior to CPG approval, if TDI-NE makes any changes to the Project that could materially impact any of BED's rights or interests hereunder, TDI-NE and BED shall negotiate in good faith to amend the Stipulation as necessary. TDI-NE and BED acknowledge that should they fail to reach agreement to amend the Stipulation, each may present its position to the Board concerning such Project changes, provided each party otherwise acts consistently with this Stipulation.

- i. This Stipulation is expressly conditioned upon the Board's acceptance of all of its provisions, without material change or condition. If the Board does not accept the Stipulation in all material respects, the Stipulation shall, at the option of either party, be deemed to be null and void and without effect and shall not constitute any part of the record in this proceeding and shall not be used for any other purpose. In the event the Board makes such material modification or change and as a result TDI-NE or BED exercises its option to void the Stipulation, each party shall be placed in the position that it enjoyed in this proceeding before entering into the Stipulation. Exercise of the option to terminate this Stipulation shall be by written notice delivered to the Board and the non-exercising party no later than ten days after issuance of a Board Order triggering the option.

*[Remainder of Page Intentionally Left Blank; Signature Pages to Follow]*

DATED this 28th day of July, 2015

By: 

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Geoffrey H. Hand, Esq.  
Dunkiel Saunders Elliott Raubvogel & Hand, PLLC  
*Counsel for TDI New England*

By: \_\_\_\_\_

William F. Ellis, Esq.  
McNeil, Leddy & Sheahan, PC  
*Counsel for Burlington Electric Department*

DATED this 28th day of July, 2015

By: \_\_\_\_\_  
Geoffrey H. Hand, Esq.  
Dunkiel Saunders Elliott Raubvogel & Hand, PLLC  
*Counsel for TDI New England*

By:  \_\_\_\_\_  
William F. Ellis, Esq.  
McNeil, Leddy & Sheahan, PC  
*Counsel for Burlington Electric Department*