



GREEN MOUNTAIN POWER
Generating Possibilities Together

Green Mountain Power:
**Multi-Year Regulation Plan
2020-2022**

June 7, 2019
(Amended Sept 3, 2020)



**GREEN MOUNTAIN POWER
MULTI-YEAR REGULATION PLAN
Final Approved Plan, June 7, 2019
Amended September 3, 2020 (per PUC August 27, 2020 order in Case No. 20-1401-PET)**

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This Plan constitutes a form of regulation for Green Mountain Power (“GMP” or the “Company”) under 30 V.S.A. § 218d. The Plan governs the manner in which the electric rates of GMP will be regulated by the Public Utility Commission (the “PUC” or “Commission”) during the term of the Plan, and a record of filings of all adjustments occurring out of this Plan shall be filed as a compliance tariff.

I. TERM

The Plan shall take effect on June 1, 2019 for rates effective October 1, 2019 and shall terminate on September 30, 2022. The Plan shall be divided for reference herein into the following rate periods:

FY20	October 1, 2019–September 30, 2020
FY21	October 1, 2020–September 30, 2021
FY22	October 1, 2021–September 30, 2022

Rates incorporating adjustments allowed under this Plan shall continue beyond the termination date, as provided in Section V(G) below. The Plan may be terminated or modified upon request of the Company and/or the Department of Public Service (“DPS” or “Department”) and subject to approval by the Commission. GMP shall file a traditional cost of service rate case prior to the termination of the Plan to cover rates for Fiscal Year 2023.

II. SUMMARY OF MULTI-YEAR REGULATION PLAN COMPONENTS

The proposed Plan consists of several components, which together are designed to address each of the specific elements of GMP’s overall cost of service. These include a mix of components that will be fixed for the term of the Plan based on a reviewed forecast at the beginning of the Plan, components that are adjusted based on a formula, and components where costs and revenues will be forecast annually and then adjusted to collect or return actual costs and revenues in each fiscal year, plus other miscellaneous provisions. The specific treatment of each aspect of the company’s cost of service and rate base are identified in **Attachment 1**, which describes whether the component will be fixed,

forecasted and adjusted, or based upon a formula or calculation. The goal of the Plan is to develop a smoother rate path over three years, which will be accomplished by locking all non-power costs for the term of the Plan, and then only adjusting annual rates to incorporate any changes in power supply costs, revenue, and income taxes, changes in return on equity, and any specific adjustments approved by the PUC under this Plan.

The primary components of this Plan are as follows:

A. Fixed Components (collectively referred to as “Non-Power Costs”)

1. Infrastructure Costs

The first fixed component of the plan addresses infrastructure costs, including capital expenditures, depreciation expense, and property taxes. With respect to capital expenditures, the Plan requires GMP to forecast the anticipated costs for capital investments based on capital spending plans in each of GMP’s departments. The Plan then requires GMP to recover no more than the amounts set out in the Plan for each fiscal year, subject to the modifications and procedures described below. Associated depreciation expense will be fixed for the term of the Plan based on projected plant in service balance at the beginning of the Plan, the plant additions cap by year, and the forecasted numbers for an anticipated updated depreciation study to be implemented in FY2021. Related property taxes have also been calculated and fixed by year based upon expected expenditures and historical trends in the yearly amounts set forth below. The Plan provides for three limited exceptions to the established capital investment caps, for: (1) capital expenditures associated with voluntary customer energy transformation projects that generate revenue for all GMP customers (“New Initiatives”) that are above the base proposed capital spending for these programs; (2) unforeseeable events that either require greater capital investments than anticipated or present strategic investment opportunities that would benefit customers; and (3) if submitted and approved by the PUC, a Climate Resiliency Plan to mitigate the increasing impacts of climate change-driven storms on GMP’s Transmission and

Distribution (T&D) systems. The details of these fixed capital expenditures, as well as the method for obtaining PUC approval of exceptions for expenditures beyond the cap, are addressed further in Section IV below.

2. O&M Costs

This component addresses GMP's operation and maintenance (O&M) costs. The recovery of these costs during the term of the Plan shall be consistent with Merger Savings mechanism established by the PUC in Docket 7770. Under this mechanism, "Base O&M" costs for GMP are fixed based on set platform costs for the period of FY20 through FY22 adjusted by the Consumer Price Index for all Urban Consumers, Northeast Region ("CPI-U Northeast"). Thus, for the three years of this Plan, the "Base O&M" costs will be fixed, and continue to benefit customers as required in the Docket 7770 Order by providing at least the \$144M guaranteed, over the ten-year term of the Merger Savings platform that will end concurrently with this Plan. These savings shall be accounted for and trued up through the associated Merger Savings Adjustor, described in Section V(C) below. A limited number of "Non-base O&M" costs fall outside of the O&M platform established in Docket 7770. For purposes of this Plan, these Non-base O&M will also be fixed at the beginning of the Plan based on three-year forecasts. The details of this component of the Plan are specified in Section IV below.

3. Financing Costs (Debt)

This component of the Plan focuses on the cost of debt. The Plan requires GMP to forecast anticipated debt costs at the start of the Plan and fix those costs for the term of the Plan, subject to any changes in overall debt levels that may be authorized by the Commission in conjunction with new capital investments approved under the limited exceptions in the Plan.

4. *Investments in and Earnings from Affiliates*

The Plan proposes to fix equity-in-earnings, including continued investments in and distributions from existing affiliated companies, based on a three-year forecast at the beginning of the Plan. The Plan requires GMP to seek Commission approval for any equity contribution during the Plan term for investments in new affiliates that did not exist at the start of the Plan, as set forth in Section IV(A)(3) below.

5. *Property & Non-Property Taxes (excluding revenue-based taxes)*

The Plan requires GMP to fix all property taxes based on a three-year forecast at the beginning of the Plan. State & Federal Income taxes, Gross Revenue and Fuel Gross Receipts Taxes are excluded from this category and are addressed below.

6. *Other Costs & Revenues*

This component of the plan addresses other cost and revenue items not captured above. The Plan requires GMP to forecast and fix recovery of the costs based on its three-year forecast at the start of the Plan, subject to the adjustors described below. The details of this process are addressed further in Section IV(A)(4) below.

B. Formulaic Components

7. *Financing Costs (Equity)*

With respect to equity, the Plan requires GMP to fix its overall debt to equity ratio at 50/50 plus or minus 1% in each year over the life of the Plan. With respect to overall return on equity (“ROE”), the Plan indexes ROE every year, starting from the 2019 rate year ROE, which is set at 9.3% based on the PUC’s Order in Case No. 18-0974-TF. The ROE will be adjusted annually using a formula which indexes the change in ROE to U.S. government bonds. The indexing mechanism is described further below.

C. Forecasted & Annually Updated Components

8. *Retail Revenue & Power Supply Costs*

This component relates to power supply expenses, transmission costs, and revenue. This component will rely on an annual reviewed forecast of costs and retail revenue, and will be associated with two adjustors—a Retail Revenue Adjustor and a Power Supply Adjustor—which together would true up actual retail revenues and costs against the approved forecast for these items included in base rates, in a manner that would fully de-couple GMP from overall retail revenue while providing continued incentive for the Company to manage its power costs well. The forecasting methodology for this component is addressed in Section IV(B) below.

- The Retail Revenue Adjustor functions by tracking actual retail revenue every quarter against the forecasted amount for that quarter. Any variations between the forecasted retail revenue and the actual quarterly results are reported as an over or under collection at the end of each quarter. The quarterly Retail Revenue, Power Supply, and Major Storm Adjustors will be netted and collected from or returned to customers in accordance with the methodology described in Section VI. The details of this adjustment are addressed further in Section V(A)(1) below.
- The Power Supply Adjustor trues up actual power supply costs against forecasted costs on a quarterly basis, with a cost variance calculation and power cost efficiency band of +150,000 (retained by GMP) and -\$307,000 (absorbed by GMP) applied to a portion of the power costs as described below. As with the Retail Revenue Adjustor, the Power Supply Adjustor will compare actual costs during the quarterly measurement period against the same forecasted costs in the relevant quarterly period included in rates, and then will be netted against the quarterly Retail Revenue and Major Storm Adjustors and collected from or

returned to customers in accordance with the methodology in Section VI. The details of this adjustment are addressed further in Section V(A)(2) below.

9. State & Federal Income Taxes, Accumulated Deferred Income Taxes (ADIT), and Gross Revenue & Fuel Gross Receipts Taxes

The Plan requires GMP to annually forecast State and Federal Income Taxes, ADIT, and Gross Revenue & Fuel Gross Receipt Taxes, because these components will be impacted by other items that are annually adjusted (either return on equity, revenue, or the Power Supply Adjustor). This annual estimate will be incorporated into the annual base rate filing and adjusted each year to reflect changes in net income based on formulaic adjustments to ROE (for Income Taxes and ADIT) or refreshed revenue and power costs as appropriate (Gross Revenue & Fuel Gross Receipt Taxes).

D. Other Plan Components

10. Exogenous Change Adjustor

The Exogenous Change Adjustor has three parts. The first addresses non-storm exogenous events outside the company's control, such as federal income tax changes. The second component addresses Major Storm events that occur during the term of the Plan and the third component addresses collection of Major Storm costs that were incurred before the start of the Plan ("Prior Major Storm Costs").

A "Major Storm" is, as defined in the GMP Service Quality and Reliability Plan, an event that exceeds \$1.2 million in maintenance costs, and there will also be a \$1.2 million deductible for the aggregate of all Major Storm exogenous events each fiscal year, except that the \$1.2 deductible will not be applied twice to the same storm in the event that collection for costs associated with that storm extends over two fiscal year periods. There will also be a \$1.2 million threshold for any non-storm exogenous events. With respect to Major Storm events that occur during the term of the Plan, GMP will file a report on the qualifying exogenous Major Storm costs that have been

invoiced for each storm in the quarter following receipt of invoices. The quarterly Major Storm Adjustor will be netted against the quarterly Retail Revenue and Power Supply Adjustors and collected from or returned to customers in accordance with the methodology in Section VI.

GMP will also collect \$8 million per year from customers through the Past Storm & Power Fixed Charge on bills on a surcharge percentage basis to cover the costs of Prior Major Storms incurred prior to the inception of the Plan which have been approved for recovery by the Commission, but are not yet being collected from customers at the inception of the Plan. The Plan therefore modifies the current regulation plan under which the Company is operating by covering already-approved major storm costs through an on-going collection allowed by this Plan, rather than requiring customers to pay multiple, higher costs through separate surcharges approved under its current plan. These Prior Major Storm costs currently total approximately \$24 million. The details of these adjustments are addressed further in Section V(B) below.

11. Earnings Sharing Adjustment Mechanism

The Plan uses an Earning Sharing Adjustment Mechanism (“ESAM”) to share actual earnings above or below the approved rate of return on equity with customers. The Plan provides a limited “dead band” for small changes in the earnings that do not result in any adjustment, and then asymmetrical “sharing bands” of over or under earnings between GMP and its customers. All earnings above or below the sharing band will be refunded to or recovered from customers. The details of this mechanism are addressed further in Section V(D) below.

12. Emerald Ash Borer Assessment & Adjustor

The Plan incorporates an assessment and associated adjustor to address costs related to the infestation of the invasive Emerald Ash Borer (“EAB”), which has recently been confirmed in Vermont. The EAB assessment and adjustor covers the cost of pro-active removal of ash trees in power line corridors in geographic areas that are confirmed to

have EAB infestations or are at high risk of EAB infestation. Anticipated costs will be forecast for three years of the Plan and included in a separate line item assessment on bills, collected as a surcharge based on revenue, but will be subject to an adjustor to true up to actual costs incurred during the term of the Plan, based on any changes in the infestation spread rate. The details of this mechanism are addressed further in Section V(E) below.

13. Rate-Smoothing Adjustor

The Plan includes an overarching adjustment to create as smooth a rate path as possible for customers during the term of the Plan. This adjustment is established at the beginning of the Plan, based on a three-year forecast of (1) non-power costs, (2) power supply costs and revenue, (3) income taxes, plus (4) an estimated return on equity for each year of the Plan. Based on this overall three-year forecasted cost of service a “Projected Smoothed Rate” will be developed, providing the projected average rate path target for each fiscal year in the Plan that would be required to collect the then-forecasted revenue requirement at a uniform projected rate change percentage over all three years. A regulatory asset or liability account will be established at the beginning of the Plan based on this forecast to account for any adjustments to the forecasted costs or revenues in each fiscal year that are necessary to establish the Projected Smoothed Rate. The regulatory asset or liability will reverse over the term of the Plan and will be zero at the end of the Plan. There will be no subsequent adjustments to the smoothing regulatory assets and liabilities identified at the inception of the Plan.

The Projected Smoothed Rate will set the actual rate change in Year 1 (FY20), and will provide a projection of rates for Year 2 (FY21) and Year 3 (FY22). Because non-power costs are locked at the beginning of the Plan based on a three-year forecast, any changes in the actual Year 2 or Year 3 rate from the Projected Smoothed Rate will be based only on changes in annual power supply costs or revenue forecasts, any adjustment to return on equity under the formula established in the Plan, and any change to other costs dependent on these adjustments (income taxes, ADIT, and Fuel Gross Receipt

taxes), plus any changes authorized by the PUC under other specific provisions in this Plan. The details of this mechanism are addressed further in Section V(F) below.

14. Innovative Pilot Program

The Innovative Pilot provision of the prior regulation plan continues through this Plan, as outlined in **Attachment 2**. New Innovative Pilots developed during the term of the Plan which are not already included in base rates (whether as an existing Pilot or subsequent tariff) shall not result in plant additions that result in any rate adjustments under this Plan, except insofar as they are specifically requested to be included in base rates under the New Initiatives exception in Section IV(A)(1)(iv). In addition, GMP shall obtain PUC approval of any individual pilot program that is anticipated to exceed \$5 million in capital investments prior to including any amount over \$5 million in rate base. Changes in revenue or power supply cost that result from New Initiative programs will be included in adjustments made pursuant to the Retail Revenue Adjustor or the Power Supply Adjustor.

15. Climate Resiliency Plan (CRP)

Notwithstanding the other provisions of this Plan, GMP may file a CRP during the term of the Plan proposing additional capital expenditures and/or targeted operational & maintenance expenses for climate change mitigation or storm hardening of GMP's transmission and distribution system.

16. Innovation and Performance Metrics

Finally, overarching this Plan is the measurement of specific Innovation and Performance Metrics. These set forth clear metrics to measure GMP's performance on issues that matter to customers. These are addressed in Section VII below.

III. PROCESS FOR ESTABLISHING ANNUAL BASE RATES

A. Timing for Annual Base Rate Filing

GMP shall file the Initial Annual Base Rate for fiscal year 2020 (FY20) with the Commission by June 1, 2019 or within two weeks of the PUC's approval of the Plan, whichever is later. The Initial Annual Base Rate filing shall provide the Projected Smoothed Base Rate for all three years of the Plan, utilizing the rate smoothing methodology set out in Section V(F), below. This methodology shall set the annual base rate for FY20, and provide the projected rate for FY21 and FY22, which will still be subject to any annual adjustments authorized under the Plan in those years. Subsequent base rate filings shall be made on June 1 of each year and include the expected base rate adjustments for the following year of the Plan, based on any annual adjustments authorized under the Plan. The Annual Base Rate Filing shall be accompanied by a narrative explanation of information reasonably needed to assist in understanding the filing.

B. Notice

The Annual Base Rate Filing shall be posted on the Company website at the time of filing, and the Company shall provide individual customer notice through bill notification of each period's Plan Base Rate Annual Adjustment when its request to effectuate those changes is filed.

C. Review and Approval

The proposed Annual Base Rate filing shall be subject to DPS review and comment (including independent expert review, as needed), and PUC approval. The Department shall file comments on the Company's Annual Base Rate Filings within 60 days of the filing. Final rates for the coming fiscal year shall be set by the PUC no less than 30 days prior to the start of the fiscal year.

D. Schedule for Filings

The schedule for all required filings under this Plan is outlined in **Attachment 8**, including the Annual Base Rate filings discussed in this section, Adjustor filings discussed in Section VI, and the Plan Evaluation discussed under Section VIII.

IV. COMPONENTS OF ANNUAL BASE RATES

GMP's annual base rates shall consist of a locked smoothed non-power cost component, forecasted power supply, revenue and income tax components, which will each be refreshed annually based on updated forecasts, and a return on equity component, which will be adjusted annually based on an ROE formula set in the Plan.

At the beginning of the Plan, GMP will develop a Projected Smoothed Base Rate based on forecasts of each of these four components. Although only the non-power cost component will be locked, the purpose of this mechanism is to smooth out anticipated variation in overall rates to the extent possible at the start of the Plan.

As part of GMP's Initial Annual Base Rate Filing, GMP shall calculate the Projected Smoothed Base Rate for the term of the Plan. The Projected Smoothed Base Rate represents the projected average rate path target for each fiscal year in the Plan that would be required to collect the then-forecasted revenue requirement at a uniform projected rate change percentage over all three years.

The three-year forecasted cost of service will consist of:

- (1) Non-power cost forecast for FY20, FY21, & FY22;
- (2) Power supply & revenue forecast for FY20, FY21, & FY22
- (3) Income tax, ADIT forecast for FY20, FY21 & FY22, plus
- (4) 3-year estimated ROE.

Non-power costs shall be locked for the term of the Plan, based on the three-year forecasts provided with the Initial Annual Base Rate filing. The remaining costs shall be adjusted annually according to the Plan.

For each year of the Plan, rates will be set as follows:

- For FY20, the Annual Base Rate will equal the Projected Smoothed Base Rate for FY20.
- Annual Base Rate filings for FY21 and FY22 will then adjust the Projected Smoothed Base Rate to account for annual adjustments authorized under the Plan. The FY21 and FY22 Annual Base Rate filings will refresh the power supply & revenue forecasts, income taxes & ADIT, and the adjustment for ROE provided by the formula established in the Plan, plus any other changes authorized by the PUC under the specific provisions of this Plan. These adjustments to the Projected Smoothed Base Rate will establish the final annual base rate for FY21 and FY22.

In setting the proposed Annual Base Rates for each fiscal year, the fixed and forecasted components of GMP's cost of service shall be established as follows, consistent with **Attachment 1**:

A. Non-Power Costs (Forecast & Fixed For 3-Year Period)

1. *Infrastructure Costs (Capital Expenditures, Depreciation, Property Taxes)*

i. Capital Expenditures

Overall capital expenditures that are closed to Plant In Service during each fiscal year of the Plan shall be equal to the following amounts:

FY20	\$86.5 million
FY21	\$85 million
FY22	\$85 million

Subject to the exceptions identified below in Sections IV(A)(1)(iv)–(vi), GMP shall only be entitled to include in rates and recover the amounts identified above during the term of the Plan. GMP will limit annual capital expenditures

to the amounts listed above, although actual annual plant additions will vary from this amount based upon the timing of capital project completions and the closing of projects from the Construction Work in Progress balance and to the Plant in Service balance. To allow for this annual variation between capital spending and Plant in Service, cumulative plant additions will not exceed \$256.5 million during the term of the Plan.

ii. Depreciation Costs

Depreciation costs shall be fixed for the term of the Plan based upon the projected plant in service balance at the beginning of the Plan, the expected annual plant additions, known retirements and changes in depreciation accrual rates resulting from a Depreciation Study. The depreciation amounts for FY21 and FY22 will include a forecast for changes associated with an updated depreciation study, which will be implemented in FY21.

iii. Property Taxes

Property taxes fixed based on a three-year forecast of expected property taxes, taking into account the fixed capital expenditures identified above. To the extent relevant, this forecast may only be adjusted to reflect any allowed capital expenditure exceptions approved by the PUC under Section IV(A)(1)(iv)–(vi).

iv. New Initiative Capital Expenditures

To the extent that GMP proposes capital investments for New Initiative projects above the annual \$5M cap in the coming fiscal year, it shall file known and measurable documentation, including appropriate financial analysis, for the proposed expenditures in its Annual Base Rate filing. These projects shall be limited to transformative customer-facing energy projects that require an initial upfront capital investment by GMP and are forecasted to contribute a net positive benefit to non-participating customers through new sources of revenue and/or cost savings over the life of the program. They may include investments

for programs authorized as an Innovative Pilot, traditional tariffed offerings, or other capital projects that qualify under this provision.

GMP shall petition the Commission, file support, and receive approval before spending more than \$5M on any individual Innovative Pilot initiative that involves an anticipated commitment of capital it intends to include in rate base.

v. Unexpected Circumstances and Strategic Opportunities

GMP may petition the PUC for approval at any time during the Plan to spend above the authorized capital expenditure levels listed above and to include such expenditures in rates when unexpected circumstances require capital expenditures that are above the authorized level and when increased capital expenditures beyond the cap are needed to pursue new strategic opportunities that would provide material benefit to customers.

Strategic opportunities here may include, but are not limited to, categories of investments that serve to better monitor, manage, and operate the distribution system for more effective integration of distributed energy systems and loads that were not reasonably anticipated at the onset of the GMP Plan, but help to advance the objectives of GMP's system to better serve customer objectives for lower cost service and better integration of distributed energy resources.

In its petition for relief, GMP will bear the burden of demonstrating that the proposed departure from the established capital expenditure limits is in customers' best interests and will result in just and reasonable rates. Base rates may be adjusted at the next quarter after any approval for spending under this provision, or at the next Annual Base Rate filing, unless otherwise ordered by the Commission.

vi. Climate Resiliency Plan

Notwithstanding the other provisions of this Plan, GMP may file a CRP during the term of the plan proposing additional capital expenditures and/or operational & maintenance expenses for climate change mitigation or storm hardening of GMP's transmission and distribution system. In the event that GMP proposes such a plan during the term of the MYRP, it would be supported by analysis demonstrating why the additional expenditures are necessary, appropriate, and in the best interests of customers.

2. *Operations & Maintenance Costs*

GMP's Base O&M costs, as defined in Docket 7770, shall be recovered under this Plan consistent with the PUC order in Docket 7770. This amount shall be set at the beginning of the Plan, in the Initial Annual Base Rate filing by applying the CPI-U Northeast inflation factor to the platform Base O&M costs for FY20, and an estimate of the CPI-U Northeast for FY21 and FY22. Non-platform O&M Costs as defined in Docket 7770 shall be set for the term of the Plan based on a three-year forecast of costs.

3. *Financing Costs (Debt)*

i. Debt Costs

GMP's debt costs shall be fixed based on a three-year forecast of anticipated debt balances and costs for each fiscal year. The cost of debt will be based on forecasted long-term and credit facility borrowing balances and reflect any change in the average long-term debt interest rate due to redemption of existing bonds and issuance of new bonds. The average credit facility debt interest rate will be forecasted based on terms of GMP's credit facility. These estimated debt costs will be fixed for the term of the Plan, subject to any changes in debt levels necessitated by the PUC's approval of strategic investments or new innovative programs authorized under the Plan, which will be incorporated in the next Annual Base Rate update.

ii. Debt to Equity Ratio

GMP shall utilize a 50/50 debt to equity ratio plus or minus 1% in all forecasting under the Plan and shall also endeavor to adhere to that ratio in its operations. To the extent its actual operating ratio differs, GMP shall be subject to the Earnings Sharing Mechanism described below.

4. *Earnings in Affiliates*

Equity-in-earnings, continued investments in, and distribution of earnings, will be fixed based on a three-year forecast for the following Affiliated Companies that are currently in rates:

- Vermont Yankee Nuclear Power Corporation;
- Maine Yankee, Connecticut Yankee and Yankee Atomic;
- Green Lantern;
- NE Hydro Trans and NE Hydro Trans Electric;
- VELCO;
- VT Transco;
- JV Solar-Battery; and
- JV Solar

Any proposal to invest in new affiliates during the term of the Plan will require specific PUC approval. The request for approval will include a summary of the cost of service impacts and/or benefits of the proposed new affiliate investment.

5. *Other Costs & Revenues*

Categories of non-power costs and revenues not addressed by the components addressed in Sections IV(A)(1–4) shall be set for the term of the Plan based on the reviewed three-year forecast of those costs and revenues, as set forth in **Attachment 1**.

B. Power Supply Cost And Retail Revenue (Forecasted And Updated Annually)

GMP's annual forecast of retail revenue and forecast of power costs shall be established using the following methodology: annually, a third-party vendor (Itron, Inc., or a similar outside consultant with expertise in the field of energy forecasting both

throughout the country and within Vermont) will provide GMP with a weather-normalized retail revenue forecast and GMP will prepare a power supply forecast based upon the provided retail revenue forecast. The revenue forecast will take into account such factors as historical data, projections about economic growth and efficiency improvements, company tariffs, impacts on retail revenue due to greater solar net-metering, and any other known changes for the upcoming year. The power supply forecast will include expected expenses associated with serving the retail revenue load, including costs and wholesale market revenues related to energy, capacity, transmission, ancillary services, renewable energy credits, and Renewable Energy Standard compliance. These forecasted net expenses will reflect both GMP's production and purchased contract costs, along with interchanges with the wholesale power market. GMP shall provide to the Department of Public Service the retail revenue forecast and the power supply forecast promptly upon completion and at least 30 days prior to GMP's Annual Base Rate filing to facilitate the Department's review.

C. Income Taxes & Related Costs (Forecasted And Updated Annually)

GMP will annually forecast State and Federal Income Taxes, ADIT, and Gross Revenue & Fuel Gross Receipt Taxes based on the other authorized adjustments in overall income or power costs. The forecast of these costs will be updated annually and filed with the Annual Base Rate Filing.

D. Financing Costs - Return On Equity (Annual Update Based On Formula)

GMP's return on equity will be updated annually based on the formula established in this Plan. In FY20, GMP's ROE shall be indexed off of the ROE for the 2019 rate period in Case No. 18-0974-TF which was set by the Commission at 9.3%. In each ensuing year, indexing shall occur off of the ROE in effect for the current year. The indexing shall be consistent with **Attachment 3**. Calculations showing the appropriate adjustment will be filed annually with the Annual Base Rate Filing.

V. DESCRIPTION OF RATE ADJUSTORS, FILING PERIODS, AND EFFECTIVE DATES

The following rate adjustors, filing periods, and effective dates shall be applied during the term of the Plan.

A. Retail Revenue Adjustor & Power Supply Adjustor

1. *Retail Revenue Adjustor*

The Retail Revenue Adjustor shall collect or return to customers, on a bills-rendered basis as described below, the difference between the actual retail revenue every Measurement Quarter and the forecasted retail revenue amount included in base rates for that quarter (the “Quarterly Retail Revenue Variance Amount”). The measurement periods and filing dates are as follows:

Retail Revenue Adjustor	Measurement Period	Filing Date	30 Day Review Period End Date
FY 2020 - 2022			
Q1	Oct 1 -- Dec 31	Jan 30	Mar 1
Q2	Jan 1 -- Mar 31	Apr 30	May 30
Q3	Apr 1 -- Jun 30	Jul 30	Aug 30
Q4	Jul 1 -- Sept 30	Oct 30	Nov 30

2. *Power Supply Adjustor*

The Power Supply Adjustor shall collect or return to customers, on a bills-rendered basis as described below, the difference between the actual power supply costs every Measurement Quarter and the forecasted power supply costs included in base rates for that quarter, as adjusted by Power Supply Efficiency Calculation set forth below. The

resulting figure is the “Quarterly Power Supply Variance Amount.” The measurement periods and filing dates are as follows:

Power Supply Adjustor	Measurement Period	Filing Date	30 Day Review Period End Date
FY 2020 - 2022			
Q1	Oct 1 -- Dec 31	Jan 30	Mar 1
Q2	Jan 1 -- Mar 31	Apr 30	May 30
Q3	Apr 1 -- Jun 30	Jul 30	Aug 30
Q4	Jul 1 -- Sept 30	Oct 30	Nov 30

The Power Supply Adjustor Calculation shall be made as follows:

i. Component A Quarterly Variance

The Component A Quarterly Variance for each Measurement Quarter, is the dollar amount of any variation between (a) actual Component A Costs for the Measurement Quarter, and (b) the Component A Costs included in the Company’s base rates for the corresponding quarter, and shall be summed with:

ii. Component B Quarterly Variance

Calculated as follows:

- a. The Component B Quarterly Variance for each Measurement Quarter is the dollar amount of any variation between (1) actual total Component B Costs for the Measurement Quarter, and (2) forecasted total Component B Costs included in the cost of service underlying the Company’s base rates for the corresponding quarter, summed with the result of the Component B Cost Variance calculation.

- b. The Component B Cost Variance calculation compares (a) the cost per kWh achieved during the Measurement Quarter (actual Component B Costs for the Measurement Quarter divided by actual retail kWh sales volumes, in kWh for that quarter) with (b) the cost per kWh benchmark (forecasted Component B costs for the Measurement Quarter divided by forecasted retail kWh sales volumes for that quarter) and multiplies the resulting variance (in \$ per kWh) by actual retail sales in kWh for the Measurement Quarter. The Component B Cost Variance is then modified by the amounts that GMP will absorb or retain—specifically, all Component B Cost Variance up to the Component B Efficiency Band of +\$150,000 (retained by GMP) and -\$307,000 (absorbed by GMP), plus 10% of any Component B Cost Variance outside of that Component B Efficiency Band.

A list of the Company's Component A and Component B power supply costs is attached as **Attachment 4**.

The Company shall maintain separate accounts for Component A and Component B costs. The Power Supply Adjustor shall be reported as described below, and then collected or returned to customers through an adjustment in rates in the quarter following each report filing.

3. Return/Collection of the Retail Revenue Adjustor and Power Supply Adjustor

The quarterly adjustment associated with both the Retail Revenue Adjustor and the Power Supply Adjustor shall be filed as described above in Section V(A). These adjustors will be calculated separately, as described above, but the return/collection of these adjustments to/from customers will be based on the methodology described in Section VI below.

An example of how the Retail Revenue Adjustor and the Power Supply Adjustor will be calculated, is attached as **Attachment 5**. The calculated variance for these two

Adjustors will be netted against the Major Storm Adjustor, and collected from or returned to customers through a separate line item (“Current Energy/Major Storm Adjustor”) on the customers’ bills in accordance with the methodology in Section VI.

B. Exogenous Change Adjustment

The Exogenous Change Adjustment has three components, (1) Non-Storm Exogenous Changes (2) Exogenous Major Storm Changes during the Plan, and (3) collection of Prior Major Storm costs, which were incurred before the start of the Plan. Each item is described separately below.

1. *Exogenous Non-Storm Changes*

Exogenous Non-Storm Changes shall consist of material cost or revenue changes from the Annual Base Rate filing. Exogenous Non-Storm Changes shall be measured over each fiscal year. Cost or revenue changes are material if the aggregate amount in any measurement period exceeds \$1.2 million, and they relate to the following:

1. Changes in tax laws that impact the Company.
2. Changes in Generally Accepted Accounting Principles.
3. Any Federal Energy Regulatory Commission or New England Independent System Operator rule, tariff or other changes affecting the Company and not a part of the Power Supply Adjustor.
4. Other regulatory, judicial or legislative changes affecting the Company.
5. Net loss of major customer(s) load not related to weather and not a part of the Retail Revenue Adjustor.
6. Major unplanned maintenance costs or investments, such as those incurred due to unexpected major maintenance (unrelated to storms) and major repairs to Company-owned power plants and not a part of the Power Supply Adjustor.

The \$1.2 million for Exogenous Non-Storm changes is a threshold not a deductible. If the threshold is met the total incremental impact of the Exogenous Non-Storm Change will be reported 60 days after the end of each fiscal year, along with a proposal to

collect costs or return revenues to customers. This may include proposing to offset the costs, or apply the revenue against, other annual adjustors in this Plan, or propose a plan to collect from, or return these benefits to customers separately through a line-item credit, as it has done for federal tax reform benefits as approved by the Commission in 2018 and the Company's 2019 base rate filing in Case No. 18-0974-TF.

Within 60 days after the end of each measurement period, the calculation associated with Exogenous Non-Storm Change Adjustor shall be filed and subject to review and comment by the Department. The Commission shall approve the proposed adjustments no later than 45 days prior to April 1 of the following year, so that the Exogenous Non-Storm Change Adjustor can be reflected as a separate line item on customer bills for the ensuing 12 months, unless otherwise as ordered by the Commission, commencing April 1 of each year.

2. Exogenous Major Storm Changes

Exogenous Major Storm Changes shall consist of increased costs experienced by the Company relating to the incremental maintenance expenses incurred for Major Storms (as defined in the Company's Service Quality & Reliability Performance, Monitoring & Reporting Plan (the "SQRP")), and further defined as a storm that causes the Company to incur incremental maintenance expenses in excess of \$1.2 million.

This per-storm \$1.2 million in maintenance costs is a threshold, which defines what qualifies as a "Major Storm," and is not a per-storm deductible.

To the extent the Company experiences one or more "Major Storms," in a fiscal year it may recover those costs from customers, minus a one-time annual \$1.2 million deductible which is deducted from the total aggregate cost associated with all qualifying Major Storms in any given fiscal year, except that the deductible shall not be applied twice to costs associated with any individual storm in the event that collection for those costs extend into a second fiscal year period. Once this annual \$1.2

million deductible is met in any fiscal year, GMP will collect costs associated with Major Storms that occur during the term of the Plan in accordance with the methodology described in Section VI below.. In the quarter following the qualifying storm, GMP will file a report documenting the invoiced costs associated with all Major Storm costs above the \$1.2 million annual deductible that occurred in that quarter. (i.e., invoices for a storm occurring in January that are received by March 31 would be reported 30 days from end of first quarter. Any invoices for this storm received after March 31 would be reported in the next quarter (July 1).

3. Prior Major Storm Costs & Pre-MYRP Net Power Adjustments

Existing Exogenous Major Storm Costs for storms occurring prior to the start of the Plan presently total approximately \$24 million (“Prior Major Storm Costs”). GMP will collect these Prior Major Storm Costs through the Past Storm & Power Fixed Charge on the bill on a surcharge percentage basis, in a total amount of \$8 million annually from customers in all customer classes, in order to retire the existing balance by the end of the 3-year Plan. Pursuant to an Order issued by the PUC on August 27, 2020 approving modifications to the Plan, GMP will also collect \$630,010 per year from October 1, 2020 through the end of the Plan in the Past Storm & Power Fixed Charge line item to cover the cost of power supply adjustors that pre-date the Plan.

C. Merger Savings Adjustment

The Merger Savings Adjustment shall reflect the rate treatment of the merger savings O&M platform approved by the Commission in Docket 7770 and incorporated into the three-year forecast of all non-power costs set at the beginning of this Plan. The Company shall file the Merger Savings Report with supporting cost documentation, 60 days following the end of the fiscal year, and any over or under collection of actual savings will be returned or collect as ordered by the Commission.

The Merger Savings Adjustment Report shall be filed no later than 60 days after the end of the fiscal year.

D. Earnings Sharing Adjustor Mechanism

Commencing on October 1, 2019, the Company's rates will be subject to an Earnings Sharing Adjustor for each rate period during the Plan term. No later than 60 days after the end of each fiscal year ("ESAM Measurement Period"), the Company shall file with the Commission and Department its Actual Earnings for the ESAM Measurement Period, the proposed Earnings Sharing Adjustor calculation and supporting information. The Earnings Sharing Adjustor will be returned to/collected from customers in an adjustment as described below that goes into effect April 1 of each rate period as a separate line-item on customer bills. Actual Earnings will be calculated on a regulatory basis based on the same methodology as the earnings cap calculation reflected in the PUC's Order in Docket Nos. 6946/6988 (*i.e.*, exclude the Company's disallowed costs and results of unregulated operations (but business services shall be included in cost of service)). Actual Earnings shall include the earnings impact of the adjustments under this Plan but shall not include the earnings impact of shareholder merger-related adjustments to Base O&M Costs. The Variance Amount (as defined below) shall be deferred and amortized during the following base rate year ("ESAM Adjustment Period").

The Earnings Sharing Adjustor shall be calculated as follows:

1. *Calculation of Variance Amount:*

- i. If Actual Earnings reflect an ROE that is within a range equal to 50 basis points below and 50 basis points above the Commission-approved ROE during the ESAM Measurement Period, there will be no Earnings Sharing Adjustor. This +/- 50 basis point band is the ESAM Efficiency Band.
- ii. If Actual Earnings reflect an ROE that is 50 to 125 basis points above or 50 to 150 basis points below Commission-approved ROE, 75% of the revenue benefit of the higher earnings is returned to, or 50% of the revenue impact of the lower earnings is collected from, customers in the Earnings Sharing

Adjustor. These + 50 to +125 basis points and -50 to -150 basis points bands are the ESAM Sharing Bands.

iii. If Actual Earnings reflect an ROE that is 126 or more basis points above or 151 or more basis points below the Commission-approved ROE, the entire revenue benefit or impact flows to customers in the Earnings Sharing Adjustor.

2. *Calculation and Collection of Earnings Sharing Adjustor:*

- i. The Earnings Sharing Adjustor shall be a positive or negative fraction equal to:
 - a. the total dollar Variance Amount derived in Section V(D)(1) above, divided by
 - b. projected revenues from Company charges during the ESA Adjustment Period, based on the Forecast Methodology.
- ii. The Earnings Sharing Adjustor fraction shall be applied to the revenue from each rate element for each rate class.
- iii. Over/under-collections of the Earnings Sharing Adjustor, due to a variance between projected and actual revenues, shall be deferred and included in the next base rate filing.

A sample calculation is attached as **Attachment 6**.

Within 60 days after the end of each measurement period, the calculation associated with the Earning Sharing Adjustor shall be filed and subject to review and comment by the Department. The Commission shall approve the proposed adjustment no later than 45 days prior to April 1 of the following year, so that the Earnings Sharing Adjustor amount can be reflected as separate line item on customer bills for the ensuing 12 months, unless otherwise ordered by the Commission, commencing April 1 of each year.

E. Emerald Ash Borer Assessment & Adjustor

The Plan establishes a separate line item assessment and associated adjustor to collect costs related to addressing reliability and safety issues caused by the infestation of the invasive Emerald Ash Borer, which has recently been confirmed in Vermont. GMP will be implementing an EAB Mitigation Plan to proactively remove ash trees in power line corridors that are confirmed to have EABs infestations or are at high risk of EAB infestation. The annual assessment to cover this work will be \$1.2 million in each fiscal year, which will be collected through a separate line item on customer bills, based on a surcharge as a percentage of revenue. Within 60 days following each fiscal year, GMP shall file an annual report on actual EAB expenditures under the mitigation plan, and identify any returns or collections necessitated by changes in the infestation spread rate which will be collected or returned through an adjustment to the EAB line item assessment. This adjustment shall be subject to DPS review and PUC approval prior to implementation, and would be incorporated into rates immediately upon PUC approval.

The \$1.2 million annual assessment will go into effect starting with rates in FY20 through a separate line item on customer bills. Within 60 days following each fiscal year, GMP shall file an annual report on actual EAB expenditures under the mitigation plan, and identify any returns or collections necessitated by changes in the infestation spread rate which will be collected or returned through an adjustment to the EAB line item assessment. This adjustment shall be subject to DPS review and PUC approval prior to implementation, and would be incorporated into rates following PUC approval and thirty-day notice to customers.

F. Rate Smoothing Adjustor

The Rate Smoothing Adjustor (“RSA”) shall be established at the beginning of the Plan based on a three-year forecast of (1) non-power costs, (2) power supply costs and revenue, and (3) income taxes, and (4) an estimated return on equity for each year of the Plan. Based on this forecast, The RSA shall establish an annual amount that is

either added to or subtracted from the forecasted revenue requirement of FY20, FY21, or FY22, in order to set a Projected Smoothed Base Rate for each fiscal year. The Projected Smoothed Base Rate represents the projected average rate path target for each fiscal year in the Plan that would be required to collect the then-forecasted revenue requirement at a uniform projected rate change percentage over all three years.

Together with the RSA, a regulatory asset or liability account will be established at the beginning of the Plan based on this forecast to account for any adjustments to the forecasted costs or revenues in each fiscal year that are necessary to establish the Projected Smoothed Rate. The regulatory asset or liability will reverse over the term of the Plan and will be zero at the end of the Plan.

G. Residual Adjustments

The collection/return of all Adjustors under this Plan shall continue beyond the term of the Plan as allowed by this Plan or otherwise ordered by the Commission. Any over/under collection for any Adjustor under this Plan remaining at the end of its term and not yet subject to a Commission order regarding its collection or return shall be deferred and addressed in a future regulation plan or rate filing.

VI. RECOVERY OF THE RETAIL REVENUE, POWER SUPPLY, AND MAJOR STORM ADJUSTORS

The recovery of the Retail Revenue, Power Supply, and Major Storm Adjustors will be in accordance with the following methodology:

- For each measurement quarter, the quarterly retail revenue and power supply variance amounts and the quarterly qualified major storm amount will be netted. This netted balance shall be referred to as the “Quarterly Net Adjustment.”
- If the Quarterly Net Adjustment for the current measurement quarter is in the opposite direction of the Quarterly Net Adjustment for the prior measurement quarter (i.e. the current quarter nets to a return and the prior quarter netted to a

collection), then the amounts of the two quarters will be netted against each other and the resulting remaining Quarterly Net Adjustment amount will be carried forward to the next quarter as a regulatory asset or liability.

- If the Quarterly Net Adjustment for the current measurement quarter is in the same direction as the Quarterly Net Adjustment from the prior measurement quarter, then the remaining Quarterly Net Adjustment from the prior measurement quarter will be collected /returned to customers starting on the first day of the next quarter over the subsequent 12 months unless otherwise requested or ordered by the Commission. This adjustment will be calculated such that the street lighting rate class continues to be excluded from any surcharge collections or returns associated with the Retail Revenue and Power Supply Adjustors.

An illustration of this methodology is as follows:

Scenario 1	Adjustor Qtrly Filing Date	PSA	Over/(Under) Collection		Net Quarterly Adjustment	Net Adjustment Awaiting Recovery	Collection Trigger	Recovery Request Amount	Recovery Request Filing Date	Recovery Period
			and Revenue	Storm						
10/1/XX to 12/31/XX	Q1FYX1	30-Jan	1,000,000	1,000,000	2,000,000	2,000,000				
1/1/X1 to 3/31/X1	Q2FYX1	30-Apr	(500,000)		(500,000)	1,500,000				
4/1/X1 to 6/30/X1	Q3FYX1	30-Jul	1,000,000		1,000,000	2,500,000				
7/1/X1 to 9/30/X1	Q4FYX1	30-Oct	1,000,000	1,250,000	2,250,000	4,750,000	Q4 Results	2,500,000	October 30th	January 1 - December 31
10/1/X1 to 12/31/X1	Q1FYX2	30-Jan	750,000	1,000,000	1,750,000	4,000,000	Q1 Results	2,250,000	January 30th	April 1 - March 31
1/1/X2 to 3/31/X2	Q2FYX2	30-Apr	(1,000,000)		(1,000,000)	750,000				
4/1/X2 to 6/30/X2	Q3FYX2	30-Jul	250,000		250,000	1,000,000				
7/1/X2 to 9/30/X2	Q4FYX2	30-Oct	(1,000,000)		(1,000,000)	-				

Within 30 days of the end of each quarter GMP will file a report summarizing the results of the quarter, along with the net amount to be returned to or collected from customers, if any, under the provisions of this Section and a proposed a line item charge for that amount based on a percentage of retail revenue to collect or return this amount over a 12-month period on a bills rendered basis beginning the first day of the next quarter (i.e., the second quarter after the triggering event quarter), unless otherwise requested or ordered by the Commission. This filing is subject to DPS review and PUC approval.

For accounting purposes, these quarterly variance amounts shall be deferred and amortized in the Return/Collection Period in an amount equal to the revenue increases or decreases that recover or repay the amortized amount.

This methodology was approved by PUC Order dated August 27, 2020 and is effective as of October 1, 2020 with the first review period of the Q3FY2020 measurement quarter (April 1, 2020 to June 30, 2020, reported July 30, 2020.)

At the end of the Plan any net deferred balances not yet approved for collection/return to customers will be handled consistent with Section V(G) Residual Adjustments.

VII. INNOVATION AND PERFORMANCE METRICS

A. Innovative Pilot Program

The Innovative Pilot provision of the prior regulation plan continues through this Plan, as outlined in **Attachment 2**. New Innovative Pilots developed during the term of the Plan that are not already included in base rates (whether as an existing Pilot or subsequent tariff) shall not result in any plant additions that cause rate adjustments under this Plan, except insofar they are specifically requested to be included in base rates under the New Initiatives exception in Section IV(A)(1)(iv). Any changes to revenue or power supply cost that result from New Initiative programs will be included in adjustments made pursuant to the Retail Revenue Adjustor or the Power Supply Adjustor.

B. Vermont Energy Plan Investment

The Company shall continue to support Vermont's statewide energy goals by advancing promising technologies (e.g. electric vehicles, heat pumps, energy storage, solar power, etc.) and by exploring new services to facilitate efficient, low carbon energy choices by electric customers and consistent with least cost principles.

C. Service Choices

The Company will continue to work with the Department to explore and implement additional innovative service choices, including as the result of the implementation of advanced automated meter reading technologies and infrastructure.

D. Service Quality

The Company's Service Quality & Reliability Performance Monitoring and Reporting Plan ("SQRP"), as it may be amended from time to time, is hereby incorporated into and made a part of this Plan.

E. Innovation & Performance Measurement Metrics

The Company shall measure and annually report on the Innovation and Performance Metrics identified in **Attachment 7**. These metrics shall be measured on a fiscal year basis and will be provided for purposes of tracking only. There will be no penalties or incentives associated with tracking these metrics during the term of the Plan. An annual report on these metrics shall be provided by at the same time as GMP's annual Plan Evaluation under Section VIII(B) below.

VIII. OTHER PLAN COMPONENTS

A. Low Income

The Company shall match contributions by its customers to the Company's Warmth Program, and the amount of the Company's match shall not be included in rates. In addition, The Company will contribute 5% of any excess earned utility net income above the allowed utility net income to its low-income customer support programs, after consultation with the Department of Public Service and its Consumer Affairs division.

B. Plan Evaluation

Beginning January 30, 2021 and each year thereafter under the Plan, the Company shall file a report with the Commission and Department evaluating the effectiveness of the

Plan's performance in achieving the goals of 30 V.S.A. § 218d. The evaluation shall include the performance of the Plan relative to the innovative and performance metrics set out in Section VII, and an update to the Action Plan included in the most recently filed Integrated Resource Plan ("IRP"). In advance of filing the reports, the Company shall confer with the Department with respect to the measurement criteria to be used in the reports. The Company will continue to use the criteria jointly agreed-upon with the Department in the annual reports assessing the Plan's effectiveness.

IX. LIMITATIONS ON OTHER RATE CHANGES

No general rate adjustment other than described herein will be implemented between October 1, 2019 and September 30, 2022, except that the Company may seek temporary rate increases pursuant to 30 V.S.A. § 226(a) and the Company may file modified or new tariffs for new services and adjustments on a revenue-neutral basis subject to Commission approval pursuant to 30 V.S.A. §§ 225, 226, 227. The Company may also file non-tariffed proposals for Innovative Pilot products or services beyond the basic sale of electricity that are consistent with Vermont state energy policy, subject to Commission approval pursuant to the process set out in **Attachment 2**. Nothing herein shall preclude the Department from requesting a Commission Order requiring that a new or existing Innovative Pilot be offered through a tariff.

X. MISCELLANEOUS

- A. During the term of the Plan, the application of Title 30, including 30 V.S.A. §§ 218(a), 225, 226, 227 and 229, to GMP shall be modified by the provisions of the Plan and the Commission order approving the Plan.
- B. The Company shall continue to file concurrently with each Adjustor filing the type of documentation it has previously filed under prior regulation plans with respect to each type of filing.

- C. The Company shall describe the Plan in a separate mailing at least one month prior to the first rate adjustment under the Plan and shall work with the Department in the development of customer communications and materials to be provided to customers. The Company will also hold twice yearly meetings with customers, one in its northern service territory and one in its southern service territory, to answer questions and review its performance under the Plan, including a discussion of the innovation and performance metrics tracked under the Plan.
- D. Nothing in the Plan will be interpreted as preventing the Department from requesting a Commission investigation into the Company's rates or the Commission from undertaking such an investigation. The retroactive effect of any such investigation, shall be consistent with 30 V.S.A. § 227(b).

GREEN MOUNTAIN POWER
MULTI-YEAR RATE PLAN

COST OF SERVICE

Method to Establish in Annual Base Rate (June 4, 2018, Original)

Method to Establish in Annual Base Rate (Feb 4, 2019, Rebuttal)

Relevant Adjustor, not including ESAM

Power/Non Power Costs

Operating Expenses:					
Purchased Power, Net		Annual Forecast	Annual Forecast	Power Adjustor	Power Cost
Production		Annual Forecast	Annual Forecast	Power Adjustor	Power Cost
Other Power Supply		Platform; Formulaic annual adjustment based on inflation	Platform; Fixed for term of Plan based on 3-year forecast	Merger Savings Adjustor	Non-Power Cost
Transmission		Annual Forecast	Annual Forecast	Power Adjustor	Power Cost
Transmission - Other		Platform; Formulaic annual adjustment based on inflation	Platform; Fixed for term of Plan based on 3-year forecast	Merger Savings Adjustor	Non-Power Cost
Distribution		Platform; Formulaic annual adjustment based on inflation	Platform; Fixed for term of Plan based on 3-year forecast	Merger Savings Adjustor	Non-Power Cost
Customer Accounting		Platform; Formulaic annual adjustment based on inflation	Platform; Fixed for term of Plan based on 3-year forecast	Merger Savings Adjustor	Non-Power Cost
Customer Service and Information		Platform; Formulaic annual adjustment based on inflation	Platform; Fixed for term of Plan based on 3-year forecast	Merger Savings Adjustor	Non-Power Cost
Sales		Platform; Formulaic annual adjustment based on inflation	Platform; Fixed for term of Plan based on 3-year forecast	Merger Savings Adjustor	Non-Power Cost
Administrative and General		Platform; Formulaic annual adjustment based on inflation	Platform; Fixed for term of Plan based on 3-year forecast	Merger Savings Adjustor	Non-Power Cost
Non Base O&M Costs - AMI		Formulaic annual adjustment based on inflation & payroll increases	Fixed for term of Plan based on 3-year forecast		Non-Power Cost
Non Base O&M Costs - KCW		Formulaic annual adjustment based on inflation & payroll increases	Fixed for term of plan based on 3-year forecast		Non-Power Cost
Non Base O&M Costs - CCI Poles		n/a	Fixed for term of plan based on 3-year forecast		Non-Power Cost
Acct 929		Formulaic annual adjustment based on inflation	Fixed for term of plan based on 3-year forecast		Non-Power Cost
Business Development		Formulaic annual adjustment based on inflation	Fixed for term of plan based on 3-year forecast		Non-Power Cost
Plant Depreciation		Fixed by year (FY20, FY21, FY22) (To be adjusted by final Depreciation Study, FY21 & 22)	Fixed by year (FY20, FY21, FY22) (including forecasted change from Depreciation Study in FY21 & 22)		Non-Power Cost
Regulatory Amortizations		Annual Forecast	Fixed for term of plan based on 3-year forecast		Non-Power Cost
Taxes - Federal and State		Annual Forecast	Annual Forecast based on ROE Adjustment		Non-Power Cost
- Municipal		Fixed by year (FY 20, FY21, FY22) unless material change	Fixed for term of plan based on 3-year forecast		Non-Power Cost
- Other, excluding Revenue Taxes		Formulaic annual adjustment based on inflation & payroll increases	Fixed for term of plan based on 3-year forecast		Non-Power Cost
Accretion Expense		Fixed by year (FY 20, FY21, FY22) unless material change	Fixed for term of plan based on 3-year forecast		Non-Power Cost
Capital Costs (Credit Facility Fees)		Fixed by year (FY 20, FY21, FY22) unless material change	Fixed for term of plan based on 3-year forecast		Non-Power Cost
Return on Utility Rate Base		Cost of Debt % is annual forecast; Cost of Equity % is formulaic annual adjustment based on index; See Schedules 2 and 3	Cost of Debt % fixed for term of plan based on 3-year forecast; Cost of Equity % is formulaic annual adjustment based on index; See Schedules 2 and 3		
Credits:					
Equity in Earnings of Affiliates		Annual Forecast (allowed for existing items only)	Fixed for term of plan based on 3-year forecast (existing items only)		Non-Power Cost
Other Operating Revenues		Annual Forecast	Fixed for term of plan based on 3-year forecast		Non-Power Cost
Business Development		Formulaic annual adjustment based on inflation	Fixed for term of plan based on 3-year forecast		Non-Power Cost
Gross Revenue & Fuel Gross Receipts Taxes		Formulaic annual calculation based on other COS components	Formulaic annual calculation based on other COS components		
Merger savings to customers		Formulaic annual adjustment based on inflation	Fixed for term of plan based on 3-year forecast	Merger Savings Adjustor	
Revenue from Ultimate Consumers		Retail Revenue will be annual forecast	Retail Revenue will be annual forecast	Retail Revenue Adjustor	

GMP – Non-Tariffed Alternative Proposal for Innovative Pilots

Eligibility:

The Non-Tariffed Alternative shall be available for pilot programs involving products or services, beyond the sale of basic electric service, that provide shared access to Green Mountain Power (“GMP”), comply with the Renewable Energy Standard required resource category as outlined in 30 V.S.A. 8005(a)(3) (“Tier III”) and advance achieving the goals of Vermont’s Comprehensive Energy Plan of meeting 90% of energy supply with renewable resources by 2050 and reducing fossil fuel consumption and reducing greenhouse gas emissions 75% below 1990 levels by 2050 (“Innovative Pilots”).

Proposal:

New Innovative Pilots

GMP shall file 15 days’ advance notice with the Department of Public Service (“Department”) and the Public Utility Commission (“Commission”), with a copy to Efficiency Vermont, before commencing pilot programs to provide the products or services referenced above.¹ The notice shall include a narrative explanation of the Innovative Pilot and how it is consistent with the eligibility requirements, the number of customers it will be made available to and how those eligible customers were selected, expected costs and revenues, why the proposal does not conflict with work performed by Efficiency Vermont, a certification that GMP has collaborated with Efficiency Vermont regarding the proposal in advance of the filing, and the frequency by which GMP shall provide status reports to the Commission and Department on the Innovative Pilot’s progress which shall not be less than six months. GMP will include Renewable Energy Vermont (“REV”) in the notice, collaboration, and reporting provisions with the Department of Public Service, the Public Utility Commission, and Efficiency Vermont on these pilots and any follow-on tariffs. GMP and REV will make its best efforts and collaborate in good faith on these pilots and any follow-on tariffs.

All Innovative Pilots shall be implemented consistently with terms set forth in GMP’s Memorandum Detailing Changes to Innovative Pilot, dated December 7, 2016 and filed in Docket No. 8794 and the Data Collection and Reporting Plan and Form filed in Case No. 17-3232-PET.

Amendments to Terms and Conditions of Innovative Pilots

GMP shall file 7 days’ advance notice of changes to Innovative Pilots’ pricing, terms, or conditions with the Department, Efficiency Vermont, and the Commission. GMP shall also provide written notice of all such changes to affected participating customers.

On-Going Review of Innovative Pilots

Any Annual Rate Base filing during the term of the Multi-Year Plan in which GMP seeks to

¹ The term of any New Innovative Pilot is limited to eighteen months.

reflect the costs and revenues of Innovative Pilots developed under this Plan that are not already included in rates at the start of the Plan shall include a schedule setting forth the costs and revenues of all Innovative Pilots offered as well as known and measurable information supporting the addition to rate base and shall be subject to Department review and Commission approval.

Comparable Third-Party Offerings

For any new GMP tariff or pilot program that focuses on an available consumer product, GMP will offer a comparable, parallel Third-Party pilot or tariff, either separately or within the same pilot or tariff, where feasible. The Third-Party program may require connection to GMP's Distributed Energy Resource platform to ensure inter-operability with utility grid management requirements, and may include an option for customers to elect to pay for these Third-Party offerings through appropriate charges on their GMP bill.

STATE OF VERMONT
PUBLIC SERVICE BOARD

Docket No. 8794

In re: Tariff filing of Green Mountain Power)
Corporation requesting approval of innovative)
products tariff riders, to take effect on a service-)
rendered basis September 4, 2016)

MEMORANDUM DETAILING CHANGES TO INNOVATIVE PILOT

The purpose of this Memorandum is to memorialize feedback provided by the Vermont Department of Public Service (“Department”) and other stakeholders that will be incorporated into the new Pilot through which Green Mountain Power (“GMP”) will be administering innovative programs that are the subject of this Docket through September 30, 2017. In summary, (with further detail to follow in this Memorandum), these changes are as follows:

1. GMP will revise the Retail Installment Contracts with customers for our heat pumps and heat pump water heaters (previously referred to as the “Participation Agreements”) with additional financial disclosures under the Truth in Lending Act (“TILA”) as well as additional customer disclosures suggested by the Department of Public Service. The revised Retail Installment Contracts are attached as **Exhibits GMP-1 and GMP-2**;
2. GMP will commit to filing an open access billing tariff prior to September 2017, which will enable third parties providing products and services similar to those provided by GMP to use the GMP bill under terms similar to GMP’s use of the bill for innovative products and services;
3. GMP will commit to filing a tariff in September 2017 to allow for peak shaving savings sharing resulting from use of controlled heat pumps and heat pump water heaters (whether owned by GMP or others) subject to full implementation of appropriate technology that allows us to control the heat pumps and dispatch them during peak events;
4. GMP will track costs associated with the Innovative Services for which approval is sought in this proceeding, based on the standard described below; and
5. GMP will update the savings sharing calculator used online and the one used during home visits so that both tools reflect projected increased electricity usage associated with the projected level of heat pump usage and the attributes of the building, including size and amount of open space.

1. Detail Around The Retail Installment Contract

The agreements have been revised to include disclosures under TILA and additional disclosures suggested by the Department. The revisions to the Retail Installment Contracts clarify that they are retail installment contracts, making clear that while GMP owns the equipment until the final payment of the term, the customer is the owner of the Heat Pump or Heat Pump Water Heater at the end of the term. Because they are retail installment contracts, GMP has included the appropriate consumer disclosures required by state and federal law, including TILA. These disclosures relate most particularly to the financial terms and are disclosed in a manner to assist the customer in comparing products in the marketplace. GMP also has added a number of provisions suggested by the Department designed to highlight how use of a heat pump might change a customer's energy usage, including possible savings. Finally, GMP has added language clarifying that a customer may cancel this agreement prior to installation of the heat pump without financial obligation.

Copies of the updated Retail Installment Contracts are attached as **Exhibits GMP-1 and GMP-2**.

2. Open Access Billing Tariff For Third Parties

GMP offers on-bill services for low interest energy improvement loans provided by the Vermont Economic Development Authority ("VEDA") and Neighborworks of Western Vermont ("NWWVT"), enabling GMP customers to attain the benefits of heat pumps and heat pump water heaters, weatherization, and other opportunities to reduce their carbon footprint and be more comfortable in their homes. If a GMP customer requests it, the customer's VEDA or NWWVT loan may be billed on his or her GMP energy statement.

GMP will file an Open Access Billing Tariff for third parties that will provide specific criteria in the tariff as to the types of services and providers, as well as describing particulars of the billing arrangements. For example, the tariff will provide that customer payments will first be allocated to electric service and then to the loans, that disconnection of electric service will not occur for failure to pay for third party charges and that the cost for billing services will be the same for third parties as it is for GMP. The billing will be available to entities offering

weatherization and products and services similar to those provided by GMP to use under terms similar to GMP's use of the bill for innovative products and services.

3. Tariff for Sharing Peak Savings

GMP will file a tariff for sharing savings for peak shaving when GMP completes testing of technology to control heat pump and heat pump water heaters and fully implements this technology in the field.

GMP is actively investigating controlling heat pumps, using Sensibo and Tado controllers, to explore the potential for shared stacked benefits of electric savings with customers, more convenient temperature adjustments, and reduced grid stress during peak times.

GMP is currently working with approximately 30 heat pump customers to test the functionality of a third party heat pump control system, in order to determine if it can be used effectively for reducing load control. GMP has also deployed approximately 70 additional heat pump control units and will have a total of approximately 100 heat pumps with shared controls during the upcoming heating season.

In addition, GMP will be gathering consumption data on selected heat pumps throughout the winter to determine savings due to load control.

The tariff will specify, among other things, the terms and conditions for controlling the heat pumps and heat pump water heaters and the methodology for sharing savings.

In addition, and in order to address concerns raised by the Department regarding GMP competing in the market for heat pumps and heat pump water heaters, the tariff will be available to all owners of heat pumps and heat pump water heaters, regardless of whether the customer purchased the product from GMP or another seller. GMP intends to work closely with the Department as it develops this tariff.

4. Tracking Of Costs Associated With Innovative Programs

GMP uses separate project numbers for each product. Tasks can be assigned within each project number. Each type of expense will be assigned a Task so that all direct project expenses can be tracked accordingly. Please see the example in the table below.

PROJECT TYPE	PROJECT NAME	PROJECT NUMBER	PROJECT TASK	DESCRIPTION
Capital	Heat Pumps	152044	ADD	External labor costs and equipment costs associated with new installations
Capital	Heat Pumps	152044	RET	External labor costs associated with retiring units
Expense	Heat Pumps	142831	MAINT	External labor costs associated with annual maintenance
Expense	Heat Pumps	142831	SERV	External labor costs and equipment costs associated with servicing units
Expense	Heat Pump	142831	PAYROLL	GMP labor costs associated with operating the program
Capital	Heat Pump Water Heaters	152046	ADD	External labor costs and equipment costs associated with new installations
Capital	Heat Pump Water Heaters	152046	RET	External labor costs associated with retiring units
Expense	Heat Pump Water Heaters	142832	MAINT	External labor costs associated with annual maintenance
Expense	Heat Pump Water Heaters	142832	SERV	External labor costs and equipment costs associated with servicing units
Expense	Heat Pump Water Heaters	142832	PAYROLL	GMP labor costs associated with operating the program

The expense labeled “PAYROLL” above represents GMP’s commitment to track all direct costs associated with running the program (including direct expenses such as marketing materials, advertising etc.).

For customer default expenses, GMP will restructure how bad debt is accounted for in the current billing system so that bad debt associated with CCHP and Heat Pump Water Heaters are separate from traditional bad debt from non-payment for electric service.

5. Revisions GMP Will Make To Its CCHP Savings Estimation Tools

GMP is making three revisions to its savings estimation tools to align its tools with the October 2016 measure characterization from the Technical Advisory Group (“TAG”).

1. Heating season estimate.
2. Cooling season estimate.
3. Net dollar saving estimate.

GMP is basing the increased kWh/year during the heating season on the customer’s reported fossil fuel usage and the TAG’s “fossil fuel offset limit.” Specifically, GMP is no longer using subjective assessments of the home’s layout, square footage, and air leakage rates to

determine the potential savings. Instead, GMP is basing the energy savings estimate on the customer's reported fossil fuel usage, the size of the CCHP that is being installed, and the same fossil "fuel offset limit" (85%) that TAG used in its measure characterizations for the technology. **Exhibit GMP-3** contains an example of GMP's revisions to its spreadsheet-based estimation tool.

GMP is basing the increased kWh/year during the cooling season on the TAG's estimate of summer kWh usage. Since many customers are already using window air-conditioners, GMP considers these estimates to be conservative; most customers will likely use less than this amount. These estimates are shown in **Exhibit GMP-3**.

GMP is basing its dollar savings estimate not only on the fossil fuel savings that are expected during the heating season, but also on the increased cost of electricity during the cooling season and the customer's lease payment.

GMP will also revise its online estimation tool to match its spreadsheet-based estimation tool. GMP will not include the TAG's weatherization adjuster, controls adjuster, or free ridership/spillover factors in its estimation tools until they are validated by evaluations.

6. Other

GMP also has committed to work with the Department and VEIC to develop educational material identifying the various options available for the purchase or lease of a heat pump or heat pump water heater.

Additionally, GMP will be sending reminders to its heat pump and heat pump water heater customers regarding their obligations when selling a house and periodic messages on optimal use of the heat pump.

Green Mountain Power Innovative Pilots

Data Collection And Reporting Plan

The following is Green Mountain Power's Data Collection and Reporting Plan for its Innovative Pilot projects.

Green Mountain Power's Temporary Limited Interim Regulation Plan¹ allows Green Mountain Power ("GMP") to offer "Innovative Pilot" programs involving products and services as outlined in Attachment 1 of the Regulation Plan. These Innovative Pilot programs are designed to serve customers, help GMP meet the Renewable Energy Standard's ("RES") required resource category as outlined in 30 V.S.A. 8005(a)(3) ("Tier III"), advance the goals of Vermont's Comprehensive Energy Plan to meet 90% of energy supply with renewable resources by 2050, reduce fossil fuel consumption, and reduce greenhouse gas emissions 75% below 1990 levels by 2050. In order to assess whether a Pilot should be advanced into a mature program, GMP will collect data and report to the Department of Public Service ("DPS" or "Department") and the Public Utility Commission ("Commission") as provided in this Data Collection and Reporting Plan ("Plan").

I. Commencement of Pilot

- A. As provided in Attachment 1, GMP will provide 15 days' advance notice of its intent to file a Pilot. The notice shall include a narrative explanation of the Innovative Pilot and explain how the Pilot is consistent with Tier III of the RES, how it advances the goals of Vermont's Comprehensive Energy Plan, the number of customers to whom it will be made available, how those eligible customers were selected, expected costs and revenues, why the proposal does not conflict with work performed by Efficiency Vermont, a certification that GMP has collaborated with Efficiency Vermont regarding the proposal in advance of the filing, and the frequency by which GMP shall provide status reports to the Commission and Department on the Innovative Pilot's progress.
- B. All Innovative Pilots shall be implemented consistently with terms set forth in GMP's Memorandum Detailing Changes to Innovative Pilot, dated December 7, 2016 and filed in Docket No. 8794.

II. Status Reports

- A. GMP shall file with the Commission, copying the Department, semi-annual reports of the status of the Pilot. The reports shall be submitted thirty days after each six-month interval. The reports shall provide the following information:
 - i. Narrative explanation of the Pilot and why it is important.
 - ii. Customer participation in the Pilot including the number of products or units, number of customers enrolled, and the distribution of the product by county/town.

¹ Green Mountain Power's Temporary Interim Regulation Plan was approved in Docket No. 17-3232-PET on November 29, 2017.

- iii. Financial information regarding the costs and revenues (equipment revenue, additional kWh margin, O&M maintenance, O&M service, depreciation, return on rate base, and net gain or loss).
- iv. Load control device saturation information including whether the product is controlled by GMP for peak shaving purposes, and if so, the number of units controlled, the control device, the response rate, and capacity available in kilowatt hours.
- v. Narrative explanation of how the Pilot is advancing the goals of Vermont's Comprehensive Energy Plan and Tier III of the RES.
- vi. Next steps.

III. Customer Satisfaction Measurement

In addition to regular customer contact, after the Pilot has been in operation for one year GMP shall measure participating customers' satisfaction with the Pilot. The survey should include an assessment of whether the customers' needs/goals were met by the product or service provided in the Pilot. GMP shall work with the Department on appropriate measurements for each Pilot.

IV. Final Report

- A. Sixty days after the end of the eighteen-month pilot, GMP shall file with the Commission, copying the Department, a final report on the Pilot. The report shall include the following information:
 - i. Narrative explanation of the Pilot and why it is important.
 - ii. Customer participation in the Pilot including the number of products or units, number of customers enrolled, and the distribution of the product by county/town.
 - iii. Financial information regarding the costs and revenues (equipment revenue, additional kWh margin, O&M maintenance, O&M service, depreciation, return on rate base, and net gain or loss).
 - iv. Load control device saturation information including whether the product is controlled by GMP for peak shaving purposes and if so, the number of units controlled, the control device, the response rate and capacity available in kilowatt hours.
 - v. Narrative explanation of how the Pilot advanced the goals of Vermont's Comprehensive Energy Plan and Tier III of the RES.
 - vi. Assessment of customer satisfaction.
 - vii. Lessons learned during the Pilot.
 - viii. Whether the Pilot will be advanced to a tariff-based offering, and if so, why.
 - ix. If the Pilot will not be advanced to a tariff-based offering, the reasons why not.



Date

Mrs. Judith Whitney, Clerk
VERMONT PUBLIC UTILITY COMMISSION
Peoples United Bank Building, 4th Floor
112 State Street
Montpelier, VT 05620-2701

Re: Innovative Pilot [**INSERT NAME OF PILOT**]
Final Report

Dear Mrs. Whitney:

Green Mountain Power (“GMP”) provides this Final Report (“Report”) pursuant to Attachment 1 of GMP’s Temporary Limited Interim Regulation Plan. This Report covers the period from the commencement of the Pilot on [**INSERT DATE**] to the completion of the Pilot on [**INSERT DATE**].

Explanation Of [INSERT NAME OF PILOT**] And Why It Is Important**

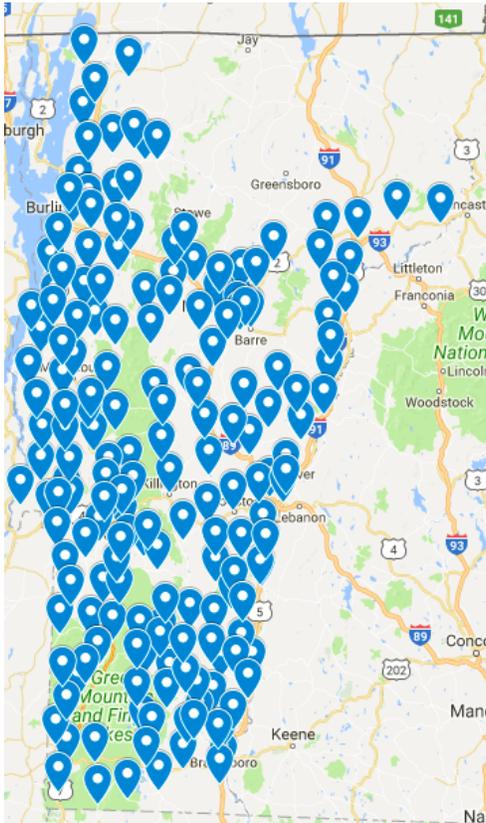
[**NARRATIVE EXPLANATION**]

Participation in Pilot

[**NARRATIVE EXPLANATION - include the number of products or units, number of customers enrolled and the distribution of the product by county/town**]

Below is a map illustrating the distribution of the GMP [**INSERT NAME OF PRODCUT**] in customer homes throughout our territory:

[**INSERT MAP (sample below)**]



Final Pilot Financials

[NARRATIVE EXPLANATION OF FINANCIALS AND INCLUDE FINANCIAL CHART – sample below]

PILOT NAME	CY__ Actuals
Cumulative Installs	
CY ____ Installs	
Equip Revenue	\$
Add'l kwh Margin	\$
O&M Maintenance	\$
O&M Service	\$
Depreciation	\$
Return on Rate Base	\$
Other	\$
Net Gain/Loss	\$

Load Control Device Saturation

[NARRATIVE EXPLANATION]

The graphic below provides an update of customer engagement in these programs:

[SAMPLE GRAPHIC BELOW]

GMP Controls Deployment – Currently Deployed/Deploying AS OF December 31, 2017

	Control Product	Device Controlled	Units Installed	Units Controlled	Response Rate	Capacity Available (kWh)		Add'l Under Contract
CURRENTLY DEPLOYED	Powerwall 1.0	Battery Storage	20	20	85%	134	Difficulty with SolarEdge inverter in past. Currently working efficiently the majority of the time. No longer deploying PW1 in favor of the PW2.	
	2016 Sonnen ECO	Battery Storage	10	10	90%	86	Batteries installed in McKnight Lane Mobile Home Replacement project.	
	Aquanta	Electric Resistance Water Heater	63	63	%	na	Currently available for all Rate 1 traditional water heaters in GMP territory.	36
	SunVerge	Battery Storage	1	1	0%	8	Installed test unit at Farm & Wilderness. Testing functional capabilities of system.	
	2017 Sensibo Sky	Cold Climate Heat Pump	173	115	88%	na	Currently available for all heat pumps in GMP territory, not just GMP program heat pumps.	315
	Powerwall 2.0	Battery Storage	90	90	93%	1125	Currently deploying.	245
	L2 EV Charger	In-home EV Charger	34	34	100%	na	Currently deploying.	40
	TOTALS		391	333		1353		636

The [INSERT NAME OF PILOT] Pilot Advances the Goals of the Vermont Comprehensive Energy Plan and Tier III of the Renewable Energy Standard

[NARRATIVE EXPLANATION OF LOAD CONTROL SATURATION]

Assessment of Customer Satisfaction

[NARRATIVE EXPLANATION OF RESULTS OF CUSTOMER SATISFACTION SURVEY INCLUDING ASSESSMENT OF WHETHER THE CUSTOMERS' NEEDS/GOALS WERE MET BY THE PILOT]

Lessons Learned

[NARRATIVE EXPLANATION OF LESSONS LEARNED]

The Pilot Will/Will Not Be Advanced To A Tariff-based Offering

[NARRATIVE EXPLANATION OF WHETHER PILOT WILL BE ADVANCED TO TARIFF-BASED OFFERING AND WHY OR WHY NOT]

Conclusion

cc: Service List

Annual ROE Indexing Methodology

During the term of the Plan, GMP's allowed Return on Equity ("ROE") shall be indexed using the following equation:

$$ROE_t = ROE_{t-1} + [0.50 \times (10B_t - 10B_{t-1})]$$

In this formula, 50% of the change in the 10-yr Treasury bond yield will determine the adjustment to ROE. The starting (or base, also reflected as t-1) bond yield in the first year of the Plan will be determined by taking the daily average for the calendar month ended December 31, 2018 (i.e., December 1, through December 31 trading days), as reported by the U.S. Department of the Treasury, Daily Treasury Yield Curve Rates, found at <https://www.treasury.gov/resource-center/data-chart-center/interest-rates/Pages/TextView.aspx?data=yieldYear&year=2019>. The annual update adjustment will take place on May 15th of each year of the Plan. The bond yield at time "t", will be determined by taking the daily average of the 3 calendar months prior to and including the adjustment date, i.e. February 16th to May 15th, using the same U.S. Department of Treasury data indicated above. For each subsequent year of the Plan, the starting bond yield ("t-1") will reflect the prior year's daily average from the May 15th update, such that the ROE adjustment takes place at the beginning of each fiscal year and is keyed to year-to-year changes in average yields based on the May 15th 3-month daily averages.

Summary of GMP Power Supply Expenses

	Additional description	Proposed PSA Component	FERC Account Number	Rationale
Jointly Owned Units - Non-fuel O&M				
Operation – Supervision & Eng	Steam	A	500	Little/no GMP control
Steam Expense	Steam	A	502	" "
Steam From Other Sources	Steam	A	503	" "
Steam Transfer Credit	Steam	A	504	" "
Electric Expenses	Steam	A	505	" "
Misc Steam Expenses	Steam	A	506	" "
Rents	Steam	A	507	" "
Allowances	Steam	A	509	" "
Maintenance Supervision & Eng	Steam	A	510	" "
Maintenance of Structures	Steam	A	511	" "
Maintenance of Boiler Plant	Steam	A	512	" "
Maintenance of Electric Plant	Steam	A	513	" "
Maintenance of Misc Steam Plant	Steam	A	514	" "
Maintenance of Steam Production Plant Non-Major	Steam	A	515	" "
Operation – Supervision & Eng	Nuclear	A	517	" "
Fuel	Nuclear	B	518	" "
Coolants and Water	Nuclear	A	519	" "
Misc Nuclear Power Expense	Nuclear	A	520	" "
Steam from Other Sources	Nuclear	A	521	" "
Steam Transferred-Cr	Nuclear	A	522	" "
Electric Expenses	Nuclear	A	523	" "
Misc Nuclear Power Expenses	Nuclear	A	524	" "
Rents	Nuclear	A	525	" "
Maintenance Supervision & Eng	Nuclear	A	528	" "
Maintenance of Reactor Plant Eq	Nuclear	A	529	" "
Maintenance of Electric Plant	Nuclear	A	530	" "
Maintenance of Misc Steam Plant	Nuclear	A	531	" "
Maintenance of Misc Nuclear Plant	Nuclear	A	532	" "
Operation – Supervision & Eng	Other	A	546	" "
Generation Expense	Other	A	548	" "
Misc	Other	A	549	" "
Rents	Other	A	550	" "
Maintenance of Supervision & Eng	Other	A	551	" "
Maintenance of Structures	Other	A	552	" "
Maintenance of Misc	Other	A	553-554	" "
GMP Owned Units - Non-fuel O&M				
Operation – Supervision & Eng	Hydro	B	535	Under GMP control
Water of Power	Hydro	B	536	" "
Hydraulic Expenses	Hydro	B	537	" "
Electric Expenses	Hydro	B	538	" "
Misc Hydraulic power gen expense	Hydro	B	539	" "
Rents	Hydro	B	540	" "
Maintenance Supervision & Eng	Hydro	B	541	" "
Maintenance of Structures	Hydro	B	542	" "
Maintenance of Reservoirs, Dams, etc	Hydro	B	543	" "
Maintenance of Electric Plant	Hydro	B	544	" "
Maintenance of Misc Hydraulic plant	Hydro	B	545	" "
Operation – Supervision & Eng	Other	B	546	" "
Fuel	Other	B	547	" "
Generation Expense	Other	B	548	" "
Misc	Other	B	549	" "
Rents	Other	B	550	" "
Maintenance of Supervision & Eng	Other	B	551	" "
Maintenance of Structures	Other	B	552	" "
Maintenance of Misc	Other	B	553-554	" "
Purchased Transmission and related	FERC Account 565. Primarily ISO-NE and VELCO costs. Smaller fractions of Phase 1/2 support costs, NEPCO, NYPA.	A	565	Little/no GMP control, likely volatility.

ISO-NE OATT, Market Services				
Transmission by Others	VELCO VTA, Regional Network Service (NOATT 1 and 9), Phase I/II support costs, National Grid (OATT, G-33, Ashuelot), SPEED, VEC, etc	A	565	Little/no GMP control
Schedule 2 VAR Charges/Credits	Reactive power and voltage support	A	561.4	Little/no GMP control
Schedule 16 Black Start Credits/Charges	System restoration payments to GMP for its units with black start capability	A	561.8	" "
ISO Sched 1 RNS	Scheduling, system control & dispatch for RNS load	A	561.4	" "
ISO Sched 1 Through & Out	Scheduling, system control & dispatch for Through or Out load	A	561.4	" "
ISO Sched 2	Administrative charges for energy market administration	A	575.7	" "
ISO Sched 3	Reliability market administration	A	561.8/575.7	" "
ISO Sched 4	Allocated FERC charges	A	575.7	" "
ISO Sched 5	NESCOE Charge	A	575.7	" "
Interest and Late Fees		A	565	Booked as Energy charge
NEPOOL Expenses	attorney fees for NEPOOL activities	A	565	
Rents Trans		A	567	Little/no GMP control
Highgate O&M				
Supervision Eng High Oper		A	560	" "
Load Dispatching High Oper		A	561	" "
Station Expenses High Oper		A	562	" "
Overhead Line Exp High Oper		A	563	" "
Rents other Highgate		A	567	" "
Supervision Eng High Maintenance		A	568	" "
Maintenance of Structures (Major Only)		A	569	" "
Station Equip High Maintenance		A	570	" "
Overhead Lines High Maintenance		A	571	" "
GMP Owned Units - Fuel	Includes hydro units, peaking units and Searsburg	B	547	All energy costs in B
Jointly Owned Units - Fuel	Includes Wyman 4, Stony Brook , McNeil, Millstone	B	501/518/547	" "
Power Transaction related accounts				
Existing Long-term Contracts - Energy Charges	Energy in A, Capacity in B	B	555	All energy costs in B
Existing Long-term Contracts - Capacity Charges	Energy in A, Capacity in B	A	555	Changes fundamentally not under GMP control.
Existing Long-term Sales for Resale - Energy Revenues	Energy in A, Capacity in B	B	447	All energy costs in B.
Existing Long-term Sales for Resale - Capacity Revenues	Energy in A, Capacity in B	A	447	Changes fundamentally not under GMP control.
Future bilateral purchases & sales of Energy - Energy Charges	Energy in A, Capacity in B	B	555, 447	All energy costs in B.
Future bilateral purchases & sales of Energy - Capacity Charges	Energy in A, Capacity in B	A	555, 447	
Future bilateral purchases & sales of capacity	Energy in A, Capacity in B	A	555, 447	
Financial Hedging Instruments (for energy costs)		B	555	Used to hedge energy costs
REC sale revenues (or purchase costs)	Renewable energy credits	B	447	All energy costs in B
RES compliance costs	Renewable energy standard	B	555	
ISO Market Settlement Accounts				
Day Ahead Energy	Includes cost of GMP load obligation & revenue from all GMP resources	B	555	Energy Component Only -All Energy in B
Real Time Energy	Includes cost of GMP load obligation & revenue from all GMP resources	B	555	Energy Component Only -All Energy in B
Energy losses	The loss component of LMP costs to serve GMP load & LMP revenues from GMP resources.	A	555	Marginal Loss Component - Little/no GMP control
Congestion	The congestion component of LMP costs to serve GMP load & LMP revenues from GMP resources	B	555	Can be partially hedged
Emergency Purchases	Made by ISO-NE	A	555	
Emergency Sales	Made by ISO-NE	A	447	
ICAP/FCM Capacity (charges and credits)		A	555	
Reliability Must Run ("RMR") charges		A	555	
Load response	ISO-NE load response program	A	555	
Regulation		A	555	
DA NCPC Charges	Operating reserves	A	555, 447	Matches costs when GMP units or joint-owned units are run for reliability and fuel expense appears as Component B. Non-GMP unit or joint-owned unit NCPC charges/credits will remain in Component A.
DA NCPC Credits	Operating reserves	B	555	Little/no GMP control
RT NCPC Charges	Operating reserves	B	555, 447	Matches costs when GMP units or joint-owned units are run for reliability and fuel expense appears as Component B. Non-GMP unit or joint-owned unit NCPC charges/credits will remain in Component A.

RT NCPC Credits	Operating reserves	B	555	Little/no GMP control
Forward Reserve Credits/Charges	Operating reserves	A	555	
Synchronous Condenser credits/charges	Operating reserves	A	555	
Cancelled Starts	Operating reserves	A	555	
OR Resources available in DA not dispatched in RT	Operating reserves	A	555	
DA NCPC credits for dispatchable load pumps	Operating reserves	A	555	
RT NCPC credits for dispatchable load pumps	Operating reserves	A	555	
NCPC credits for resources postured for reliability	Operating reserves	B	555, 447	Matches costs when GMP units or joint-owned units are run for reliability and fuel expense appears as Component B. Non-GMP unit or joint-owned unit NCPC charges/credits will remain in Component A.
Special Constraint Resource charges/credits	Operating reserves	B	555, 447	Matches costs when GMP units or joint-owned units are run for reliability and fuel expense appears as Component B. Non-GMP unit or joint-owned unit NCPC charges/credits will remain in Component A.
FTR/ARR		B		
LT On Peak ARR Credit	Revenues From FTR Auctions	A	555	Little/no GMP control
Monthly On Peak ARR Credit	Revenues From FTR Auctions	A	555	" "
LT Off Peak ARR Credit	Revenues From FTR Auctions	A	555	" "
Monthly Off Peak ARR Credit	Revenues From FTR Auctions	A	555	" "
FTR Auction Credits/Charges	Cost of FTR's in auction	B	555	Used to hedge congestion costs
Monthly FTR Congestion Credits/Charges	monthly congestion revenue paid to FTR holders	B	555	" "
Negative Congestion Adjustment	Charge if FTR congestion revenue is negative	A	555	Little/no GMP control
Annual FTR Adjustments	Disbursement of Excess FTR congestion revenue	B	555	only paid to FTR holders
NEPOOL GIS Fees	GIS transaction fees, and GMP share of NEPOOL GIS overhead costs.	A	555	

Excluded from the Power Adjustor:

Transmission for Others (this is mostly subtransmission service for VT utilities)

Quarterly Illustration of Retail Revenue Adjustor and Power Supply Adjustor

Assumptions:

- 1.) Actual retail sales are lower than forecast by 10,000 MWh, and \$1.4 million.
- 2.) GMP avoids purchasing that 10,000 MWh on spot market at an average of \$30/MWh. The net of other Component B costs & revenues is assumed equal to benchmark levels.
- 3.) Actual Component A costs come in \$3 million lower than the benchmark.
- 4.) Benchmark values are illustrative; similar in magnitude to Q2 FY18.

Step 1: Raw Variances in Revenue & Costs

	<u>Actual</u>	<u>Benchmark</u>	<u>Variance</u>	<u>Notes</u>
Revenue	\$162,600,000	\$164,000,000	-\$1,400,000	Per Assumption #1 above
Component A	\$38,500,000	\$41,500,000	-\$3,000,000	Per Assumption #3 above
Component B	\$58,700,000	\$59,000,000	-\$300,000	Per Assumption #2 above

Step 2: Cost Variance calculation and bandwidths

	<u>Actual</u>	<u>Benchmark</u>	<u>Variance</u>	
Retail Sales in kWh	1,102,000,000	1,112,000,000	-10,000,000	Per Assumption #1
Component B Cost per kWh	\$0.0533	\$0.0531	\$0.0002	Actual Component B costs per kWh were slightly higher than benchmark
Component B Cost Variance:	\$230,576			Variance in Component B costs per kWh times actual retail sales
Amount GMP (absorbs)/keeps:	-\$230,576			+\$150 K / (\$307 K) Efficiency Band and incremental 10% thereafter. In this example, GMP absorbs about \$231 K of cost increase
Component B Adjusted for Cost Variance	-\$530,576			(\$300,000) raw Component B variance, plus about \$231 K of cost variance absorbed by GMP

Step 3: Calculation of Retail Revenue Adjustor and Power Adjustor

Retail Revenue Adjustor:	\$1,400,000	Collection from customers of \$1.4 million, offsetting the decline in retail sales
Component A:	-\$3,000,000	Actual Component A costs \$3 million below benchmark; full return to customers.
Component B:	-\$530,576	Actual Component B costs \$300k lower than benchmark; GMP also absorbs \$231 K of cost variance.
Power Supply Adjustor	-\$3,530,576	Total Power Adjustor (Component A + Cost-variance adjusted Component B)

Step 4: Net Retail Revenue Adjustor and Power Adjustor

Retail Revenue Adjustor:	\$1,400,000	Recovery from customers of \$1,400,000 due to lower retail sales.
Power Supply Adjustor:	-\$3,530,576	Return to customers
Net Adjustment*	-\$2,130,576	

*This amount to be netted against the Major Storm Adjustor, and collected from or returned to customers in accordance with the methodology in Section VI of the MYRP

Example: Proposed Earnings Sharing Adjustor
(all revenues/costs in \$000)

	Year 1 Benchmark	Year 1 Actual	Year 1 Allowed ROE 9.30%	Year 1 Ceiling Sharing Band ⁽¹⁾	Year 1 Ceiling Dead Band ⁽¹⁾	Year 1 Floor Dead Band ⁽¹⁾	Year 1 Floor Sharing Band ⁽¹⁾	
ROE Range	9.30%	8.75%	9.30%	10.55%	9.80%	8.80%	7.80%	
Total Retail Revenue	\$517,681	\$517,618	Revenue Required \$523,550	Revenue Required \$537,031	Revenue Required \$528,942	Revenue Required \$518,157	Revenue Required \$507,371	
Total Expenses	\$389,131	\$395,000	\$395,000	\$395,000	\$395,000	\$395,000	\$395,000	
Operating income	\$128,550	\$122,618	\$128,550	\$142,031	\$133,942	\$123,157	\$112,371	
Interest	\$28,245	\$28,245	\$28,245	\$28,245	\$28,245	\$28,245	\$28,245	
Net income pre-tax	\$100,305	\$94,373	\$100,305	\$113,786	\$105,697	\$94,912	\$84,126	
Income tax	\$27,807	\$26,162	\$27,807	\$31,544	\$29,302	\$26,312	\$23,322	
Net income	\$72,498	\$68,210	\$72,498	\$82,242	\$76,396	\$68,600	\$60,805	\$60,805
Equity Component of Ratebase	\$779,547	\$779,547	\$779,547	\$779,547	\$779,547	\$779,547	\$779,547	
Return on Equity	9.30%	8.75%	9.30%	10.55%	9.80%	8.80%	7.80%	
Revenue Requirement	\$517,681		\$523,550	\$537,031	\$528,942	\$518,157	\$507,371	

Earnings Sharing Bands	bps change	ROE Range	Revenue Requirement	Actual Retail Revenues	Sufficiency / (Deficiency)	Results
Sharing Band Ceiling	0.75%	10.55%	\$ 537,031	\$ 517,618	\$ (19,414)	Actual Revenues below Sharing Band Ceiling.
Dead Band Ceiling	0.50%	9.80%	\$ 528,942	\$ 517,618	\$ (11,325)	Actual Revenues below Dead Band Ceiling
Allowed	9.30%	9.30%	\$ 523,550	\$ 517,618	\$ (5,932)	Actual Revenues below Allowed Cost of Equity, 100% shortfall retained by Company
Dead Band Floor	-0.50%	8.80%	\$ 518,157	\$ 517,618	\$ (539)	Actual Revenues below Dead Band Floor, Shared 50 /50 Customer and Company
Sharing Band Floor	-1.00%	7.80%	\$ 507,371	\$ 517,618	\$ 10,246	Actual Revenues above Sharing Band Floor

In this illustrative example the total revenue deficiency is \$5,932 of which \$5,393 (\$523,550-\$518,157) is within the Dead Band and \$539 is within the Sharing Band. GMP will absorb \$5,663 of this revenue deficiency (100% of the revenue deficiency within the Dead Band (\$5,393) plus 50% of the revenue deficiency within the Sharing Band (\$270)) and customers will absorb \$269 (50% of the revenue deficiency within the Sharing Band).

⁽¹⁾Revenue sufficiency within the Sharing Band above the Deadband Ceiling is shared 75% to customers and 25% to GMP and revenue sufficiency above the Sharing Band Ceiling is 100% to customers. Revenue deficiency within the Sharing Band below the Deadband Floor is shared 50% to customers and 50% to GMP and revenue deficiency below the Sharing Band Floor is 100% to customers.

**Innovation and Performance Metrics
(to be reported annually)**

#	Capital Expenses	Metric	Type of Metric
1	Capital Spending Levels	Total amount of capital spending by year	Tracking Metric
2	Capital Spending Closed to Plant	Total amount of capital spending closed to plant by year	Tracking Metric
3	Exceptions Filed for to Capital Spending Limits	Any exceptions to capital spending thresholds sought by GMP by year	Tracking Metric
	Exogenous Costs	Metric	Type of Metric
4	Exogenous Storm Costs	Total amount of exogenous storms costs	Tracking Metric
	Power Portfolio	Metric	Type of Metric
5	Power supply emissions profile	GMP's power supply emissions profile, expressed as lbs CO2/kWh delivered	Tracking Metric
6	Power supply carbon-free percentage	Percent of GMP's power supply that is (1) carbon-free and (2) renewable energy as defined under 30 V.S.A. § 8002(21).	Tracking Metric
7	Winter/Summer peak dates with GMP load profile for Winter/Summer peak period	VT peak and coincident ISO-NE peak	Tracking Metric
	Distributed Generation (DG)	Metric	Type of Metric
8	Total DG	Total number and capacity (kW) of distributed generation facilities interconnected to GMP's system	Tracking Metric
9	New DG	Aggregate capacity (kW) of DG facilities interconnected to GMP's system in the prior calendar year by size: 1) ≤ 15kW; 2) > 15 kW - 150kW; 3) > 150 kW- 500 kW; 4) > 500 kW	Tracking Metric
10	New third-party DG	Total number of third-party DG resources interconnected to GMP's system in the prior calendar year by size: 1) ≤ 15kW; 2) > 15 kW - 150kW; 3) > 150 kW- 500 kW; 4) > 500 kW	Tracking Metric
11	Pending capacity-constrained interconnections	Total number and aggregate capacity (kW) of systems currently waiting for interconnection to GMP's system but unable to do so as a result of capacity constraints on GMP system by size: 1) ≤ 15kW; 2) > 15 kW - 150kW; 3) > 150 kW- 500 kW; 4) > 500 kW	Tracking Metric

Innovation and Performance Metrics Cont'd

12	Number of pending interconnection requests with cost estimate and current status	<p>Listing of pending interconnection requests under PUC Rule 5.500, cost estimate of GMP upgrades for each request, current status of each request, including:</p> <ul style="list-style-type: none"> • In Fast Track Screening • In Feasibility Study process (if requested) • In System Impact Study process • In Facilities Study process • Interconnection Agreement provided to generator • Interconnection Agreement fully executed • Project online 	Tracking Metric
13	Average days to interconnect DG systems	Estimated average days to interconnect DG systems from point project is ready for physical interconnection by size: 1) $\leq 15\text{kW}$; 2) $> 15 \text{ kW} - 150\text{kW}$; 3) $> 150 \text{ kW} - 500 \text{ kW}$; 4) $> 500 \text{ kW}$	Tracking Metric
14	Longest duration for interconnection of DG system	Estimated longest duration for interconnecting DG facility from point project is ready for physical interconnection by size: 1) $\leq 15\text{kW}$; 2) $> 15 \text{ kW} - 150\text{kW}$; 3) $> 150 \text{ kW} - 500 \text{ kW}$; 4) $> 500 \text{ kW}$	Tracking Metric
15	Average cost of DG interconnection	Average total aggregate interconnection costs associated with interconnecting DG systems in prior calendar year and average aggregate cost by size in prior calendar year: 1) $\leq 15\text{kW}$; 2) $> 15 \text{ kW} - 150\text{kW}$; 3) $> 150 \text{ kW} - 500 \text{ kW}$; 4) $> 500 \text{ kW}$	Tracking Metric
16	Hosting Capacity for DG	1) Percentage of GMP circuits with transmission ground fault over-voltage (TGFOV) limitations and 2) Percentage of substation transformers with capacity remaining of: i) over 20%, ii) less than 20% but over 10%, and iii) less than 10%.	Tracking Metric
	Distributed Energy Resources (DER)¹	Metric	Type of Metric
17	Percent of GMP load subject to: 1) dynamic curtailment; 2) interruption; or 3) access by GMP directly or through aggregators	Percent of GMP load subject to: 1) dynamic curtailment or interruption; or 2) access by GMP directly or through aggregators	Tracking Metric

¹ For purposes of these performance metrics, “Distributed Energy Resources” do not include generation facilities such as solar PV systems. Distributed generation facilities are tracked separately under the DG metrics.

Innovation and Performance Metrics Cont'd

18	Number and DER Capacity with shared access	Total number and aggregate (MW) capacity of behind-the-meter DERs connected to GMP share access platform	Tracking Metric
19	DER Capacity on an Incentive Rate	Capacity (MW) of DER fleet that is on an incentive rate	Tracking Metric
20	Capacity of 3rd Party DERs with shared access	Capacity (MW) of behind the meter DERs resources that are connected to a GMP shared access platform installed by third party suppliers	Tracking Metric
21	Storage Systems connected to GMP shared access platforms with Islanding Capability	1) Number and capacity (MW) of storage systems connected to a GMP shared access platform; and 2) Number of storage systems that are capable of islanding individual customers or groups of customers (to the extent known)	Tracking Metric
	Electric Vehicles (EV)	Metric	Type of Metric
22	Number of newly interconnected EV public charging stations	Number of standalone Level 3 EV public charging stations interconnected in the year (to the extent known)	Tracking Metric
23	EV home chargers with Shared Access	Number of EV home chargers connected to GMP shared access platform	Tracking Metric
24	EV customers	Number of customers currently enrolled in EV charging rates (if/when available) or other relevant incentives through tariffs, pilot program, or other incentive programs	Tracking Metric
25	Make ready requests for EV public charging stations	(1) Number of make-ready requests for EV public charging stations that GMP is aware of in the past calendar year, and (2) estimated average GMP response time from request to interconnection	Tracking Metric
	Other	Metric	Type of Metric
26	Customer Relationship Automation	% of Customers that: 1) are receiving eBills 2) are remitting thru autodraft or recurring CC 3) have a GMP online account 4) are enrolled in text alerts	Tracking Metric

[Draft Sample] GMP INNOVATION & PERFORMANCE METRIC REPORT

Category	Metric	FY20	FY21	FY22	Trend	
		(10/1/19-9/30/20)	(10/1/20-9/30/21)	(10/1/21-9/30/22)		
Capital Expenses	Total amount of capital spending	\$ [X]				
	Total amount of capital spending closed to plant	\$ [X]				
	Any exceptions to capital spending thresholds sought by GMP	See attached list (if applicable)				
Exogenous Costs	Total amount of exogenous storms costs	\$ [X]				
Power Portfolio	GMP's power supply emissions profile	[X] lbs CO2/kWh				
	Percent of GMP's power supply that is carbon-free	[X] %				
	Percent of GMP's power supply that is renewable energy (as defined under 30 V.S.A. § 8002(21))	[X] %				
	Annual ISO Peak					
	GMP coincident load for ISO Peak					
	Winter peak - Vermont					
	GMP coincident load for Vermont winter peak					
	Summer peak - Vermont					
GMP coincident load for Vermont summer peak						
Distributed Generation	Total number and capacity of DG facilities interconnected to GMP's system	[X], [kW]				
	Aggregate capacity of DG facilities interconnected to GMP's system in the prior calendar year	<15 kW	[kW]			
		15-150 kW	[kW]			
		>150-500 kW	[kW]			
		>500 kW	[kW]			
	Total number of third-party DG resources interconnected to GMP's system in the prior calendar year	<15 kW	[X]			
		15-150 kW	[X]			
		>150-500 kW	[X]			
		>500 kW	[X]			
	Total number and aggregate capacity of systems currently waiting for interconnection to GMP's system but unable to do so as a result of capacity constraints on GMP system	<15 kW	[X], [kW]			
		15-150 kW	[X], [kW]			
		>150-500 kW	[X], [kW]			
		>500 kW	[X], [kW]			
	Listing of pending interconnection requests, cost estimate of GMP upgrades for each request, current status of each request*	See attached list				
	Estimated average days to interconnect DG systems (from point project is ready for physical interconnection)	<15 kW	[X] days			
		15-150 kW	[X] days			
		>150-500 kW	[X] days			
		>500 kW	[X] days			
	Estimated longest duration for interconnecting DG facility (from point project is ready for physical interconnection)	<15 kW	[X] days			
		15-150 kW	[X] days			
>150-500 kW		[X] days				
>500 kW		[X] days				
Average interconnection cost for DG systems in the prior calendar year (aggregate)	\$[X]					
Average interconnection cost for DG systems in the prior calendar year by facility size	<15 kW	\$[X]				
	15-150 kW	\$[X]				
	>150-500 kW	\$[X]				
	>500 kW	\$[X]				
Percent of GMP circuits with TGF0V limitations	[X] %					
Percent of substation transformers with capacity remaining	>20%	[X] %				
	<20% but >10%	[X] %				
	<10 %	[X] %				
Distributed Energy Resources (DER)*	Percent of GMP load subject to dynamic curtailment or interruption	[X] %				
	Percent of GMP load with shared access by GMP directly or through aggregators	[X] %				
	Total number and aggregate MW capacity of behind-the-meter DERs connected to GMP shared access platform	[X], [MW]				
	Capacity of DER fleet that is on an incentive rate	[MW]				
	Capacity of behind the meter DERs resources installed by third party suppliers connected to a GMP shared access platform	[MW]				
	Number and capacity of storage systems connected to a GMP shared access platform	[X], [MW]				
	Number of storage systems that are capable of islanding individual customers or groups of customers (to the extent known)	[X]				
Number of standalone Level 3 EV public charging stations interconnected (to extent known)	[X]					
	Number of EV home chargers connected to GMP shared access platform	[X]				

EV	Number of customers current enrolled in EV charging rates or other relevant incentives through tariffs, pilot program, or other incentive programs	[X]			
	Number of make-ready requests for EV public charging stations that GMP is aware of in the past calendar year	[X]			
	Estimated average GMP response time from request to interconnection	[X] days			
Other	Percent of customers receiving eBills	[X] %			
	Percent of customers remitting thru autodraft or recurring CC	[X] %			
	Percent of customers with a GMP online account	[X] %			
	Percent of customers enrolled in text alerts	[X] %			

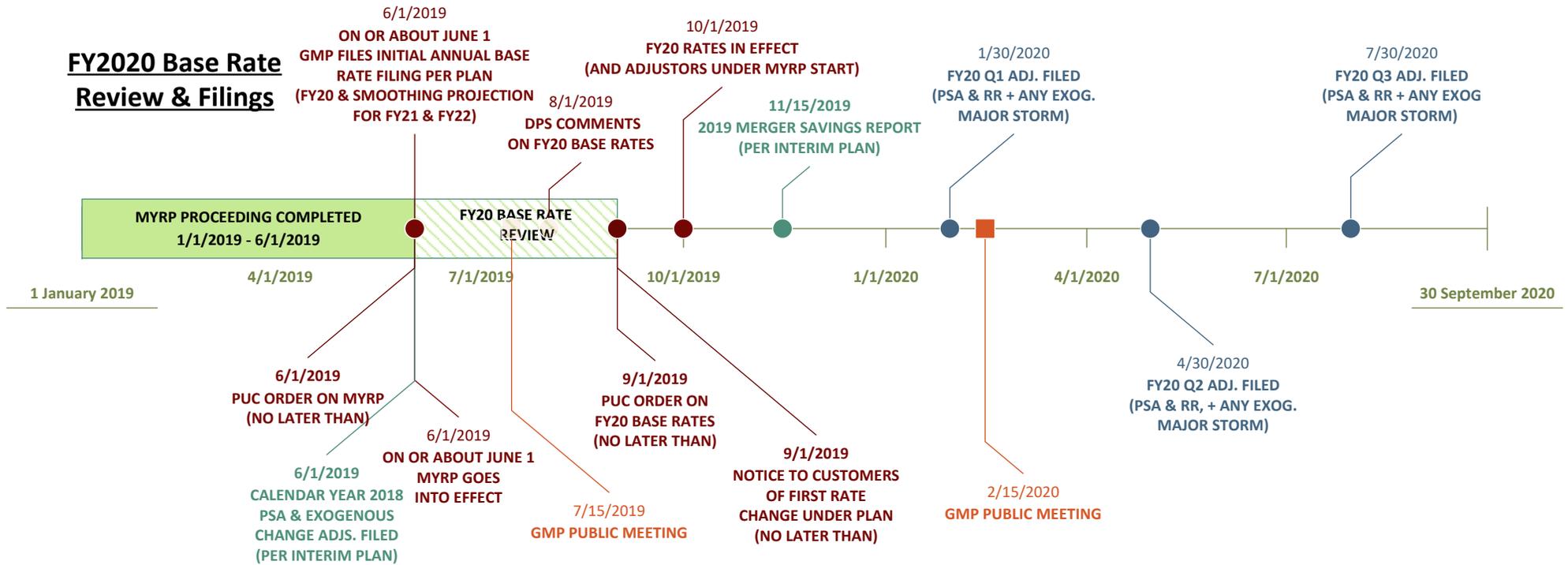
* (not including solar PV systems)

- ° Statuses include:
- 1) in Fast Track Screening;
 - 2) in Feasibility Study process (if requested);
 - 3) in System Impact Study process;
 - 4) in Facilities Study process;
 - 5) Interconnection Agreement provided to generator;
 - 6) interconnection agreement fully executed;
 - 7) project online

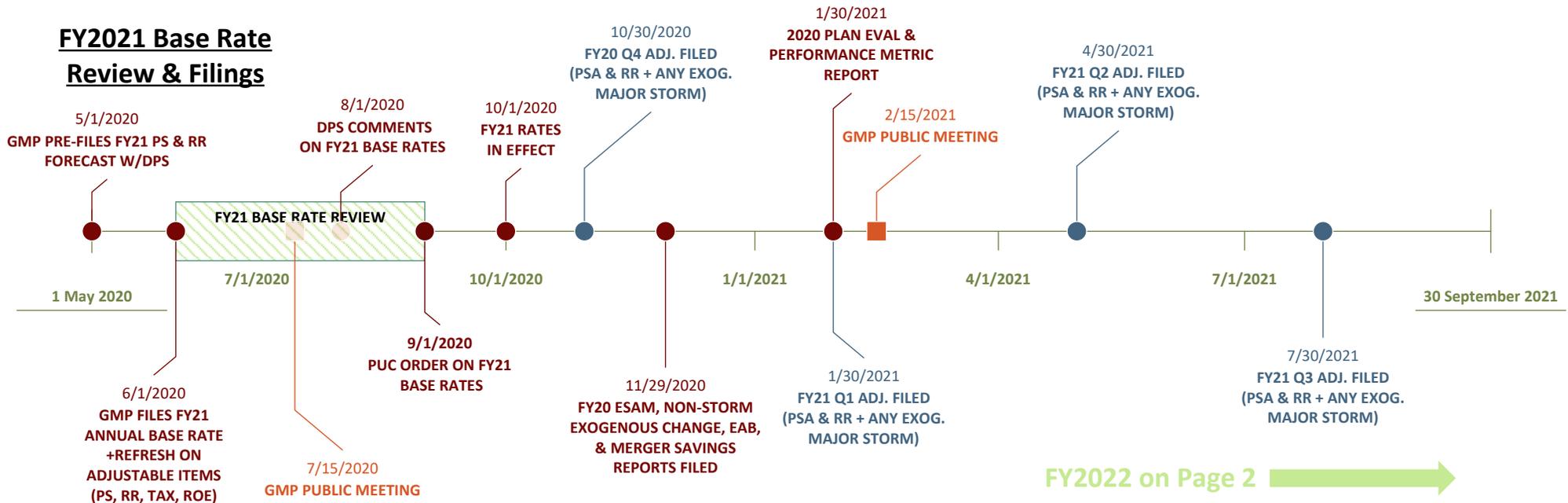
Timeline for Filings During Multi-Year Plan

(further details on filing review process/period, collection/return date, and customer notices for PSA, ESAM, Exogenous Change, EAB, Merger Savings & Performance Metrics are included in attached spreadsheet)

FY2020 Base Rate Review & Filings



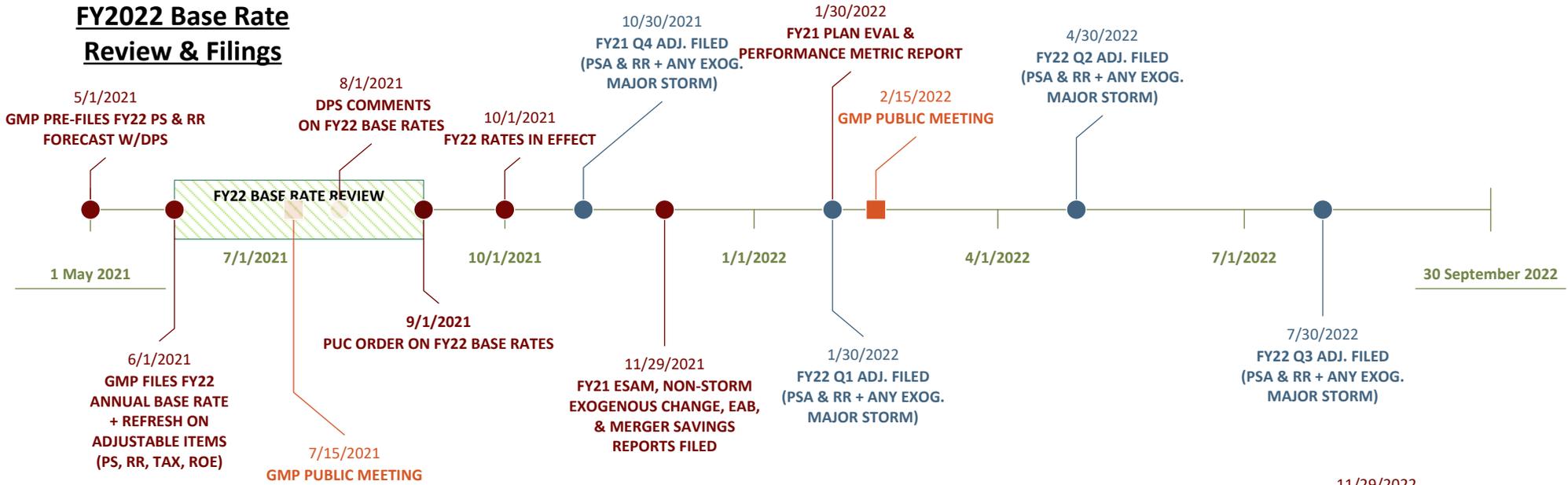
FY2021 Base Rate Review & Filings



Timeline for Filings During Multi-Year Plan (Cont.)

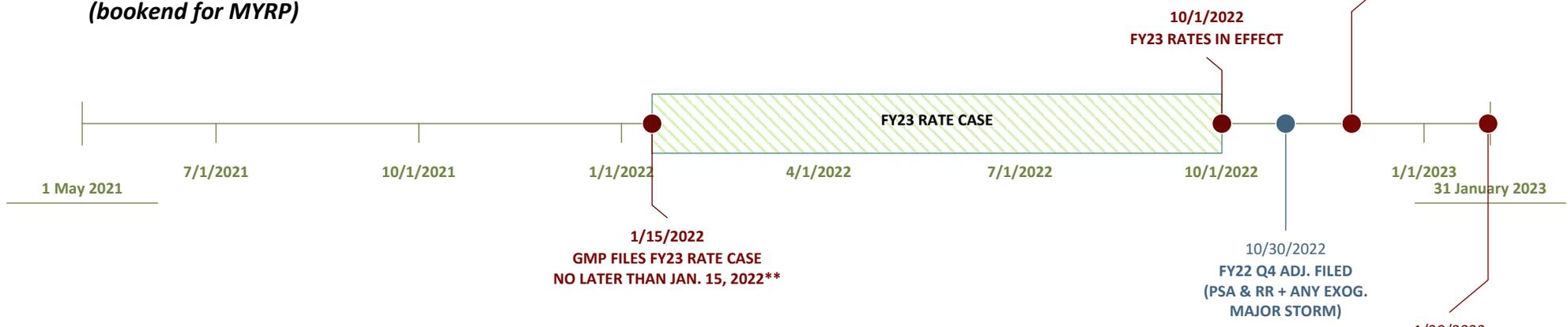
(further details on filing review process/period, collection/return date, and customer notices for PSA, ESAM, Exogenous Change, EAB, Merger Savings & Performance Metrics are included in attached spreadsheet)

FY2022 Base Rate Review & Filings



Traditional Rate Case for FY23 Rates

(bookend for MYRP)



** FY23 Rate Case may be accompanied by proposal for future regulation plan

**Green Mountain Power
Multi-Year Regulation Plan**

Expected Filings	Rate Period	Measurement Period	Filing Date	Rates Effective	Review	DPS Review and PUC Approval
Annual Base Rate Filing		GMP shall provide to the DPS the retail revenue forecast and the power supply forecast upon completion and at least 30 days prior to GMP's Annual Base Rate Filing Date shown below.			Subject to DPS Review & PUC Approval	The proposed Annual Base Rate filing shall be subject to DPS review and comment (including independent expert review, as needed), and PUC approval. The Department shall file comments on GMP's Annual Base Rate Filings within 60 days of the filing. Final rates for the coming fiscal year shall be set by the PUC no less than 30 days prior to the start of the fiscal year. The proposed Annual Base Rate Filing shall be posted on GMP's website at the time of filing, and GMP shall provide individual customer notice through bill notification of each period's Plan Base Rate Annual Adjustment when its request to effectuate those changes is filed.
FY 2020 Base Rate Filing	FY 2020	NA	1-Jul-2019	1-Oct-19		Review Complete: August 1, 2019 PUC Approval: Sep 1, 2019
FY 2021 Base Rate Filing	FY 2021	NA	1-Jul-2020	1-Oct-20		Review Complete: August 1, 2020 PUC Approval: Sep 1, 2020
FY 2022 Base Rate Filing	FY 2022	NA	1-Jul-2021	1-Oct-21		Review Complete: August 1, 2021 PUC Approval: Sep 1, 2021
FY 2023 Traditional Base Rate Filing	FY 2023	NA	No later than 1/15/2022	1-Oct-22		
FY 2020 - 2022 Retail Revenue, Power Supply and Major Storm Adjustors				Collection or Return will be over a 12-month basis. Effective start date to be the second quarter after the triggering- event quarter.	Subject to DPS Review & PUC Approval	Consistent with Section V, GMP shall file documentation showing the calculations for each separate adjustor within 30 days of the close of the quarter. Per Section VI of the Plan, GMP will also file a report summarizing the net amount to be returned to or collected from customers within 30 days of the end of the triggering-event quarter. Triggering Event for return or collection of the net Retail Revenue, Power Supply and Major Storm Adjustor is when the quarterly, net adjustment goes in the same direction for two quarters in a row. When the current measurement quarter net adjustment is in the same direction as the prior measurement quarter net adjustment, then the net adjustment deferred through the end of the prior measurement quarter will be collected from or returned to customers. The combined net adjustment will be renamed the "Current Energy/Major Storm Adjustor" and will appear as a single line item on customer bills.
Retail Revenue, Power Supply and Major Storm Adjustor	Q1	Oct 1 - Dec 31	Jan 30	TBD		Quarterly Adjustor Review Complete: Mar 1
Retail Revenue, Power Supply and Major Storm Adjustor	Q2	Jan 1 - Mar 31	Apr 30	TBD		Quarterly Adjustor Review Complete: May 30
Retail Revenue, Power Supply and Major Storm Adjustor	Q3	Apr 1 - Jun 30	Jul 30	TBD		Quarterly Adjustor Review Complete: Aug 30
Retail Revenue, Power Supply and Major Storm Adjustor	Q4	Jul 1 - Sep 30	Oct 30	TBD		Quarterly Adjustor Review Complete: Nov 30
FY 2020 - 2022 Annual Exogenous Non-Storm Change Adjustor					Subject to DPS Review & PUC Approval	Within 60 days after the end of each measurement period, calculations associated with the Exogenous Non-Storm Change Adjustor shall be filed and subject to review and comment by the Department. The commission shall approve the proposed adjustments no later than 45 days prior to April 1 of the following year so that the Exogenous Non-Storm Change adjustor can be reflected as a separate line item on customers bills for the ensuing 12 months, unless otherwise ordered by the Commission. GMP shall provide individual customer notice through bill notification 30 days prior to start of adjustment.
FY 2020 Exogenous Change Filing	FY 2020	Oct 1 2019 - Sep 30, 2020	29-Nov-2020	1-Apr-21		PUC Approval: Feb 15, 2021
FY 2021 Exogenous Change Filing	FY 2021	Oct 1 2020 - Sep 30, 2021	29-Nov-2021	1-Apr-22		PUC Approval: Feb 15, 2022
FY 2022 Exogenous Change Filing	FY 2022	Oct 1 2021 - Sep 30, 2022	29-Nov-2022	1-Apr-23		PUC Approval: Feb 15, 2023
FY 2020 - 2022 Annual Earnings Sharing Adjustor Mechanism "ESAM"					Subject to DPS Review & PUC Approval	Within 60 days after the end of each measurement period, calculations associated with the Earnings Sharing Adjustor shall be filed and subject to review and comment by the Department. The commission shall approve the proposed adjustments no later than 45 days prior to April 1 of the following year so that the Earnings Sharing Adjustor can be reflected as a separate line item on customer bills for the ensuing 12 months, unless otherwise ordered by the Commission. GMP shall provide individual customer notice through bill notification 30 days prior to start of adjustment.
FY 2020 ESAM Filing	FY 2020	Oct 1 2019 - Sep 30, 2020	29-Nov-2020	1-Apr-21		PUC Approval: Feb 15, 2021
FY 2021 ESAM Filing	FY 2021	Oct 1 2020 - Sep 30, 2021	29-Nov-2021	1-Apr-22		PUC Approval: Feb 15, 2022
FY 2022 ESAM Filing	FY 2022	Oct 1 2021 - Sep 30, 2022	29-Nov-2022	1-Apr-23		PUC Approval: Feb 15, 2023

FY 2020 - 2022 Merger Savings Report Subject to DPS Review & PUC Approval GMP shall file this report, with supporting cost documentation, 60 days following the end of the fiscal year. Adjustment shall reflect the rate treatment of the merger savings O&M platform approved by the Commission in Docket 7770. Any over or under collection will be returned or collected as ordered by the Commission.

FY 2020 Merger Savings Report	FY 2020	Oct 1 2019 - Sep 30, 2020	29-Nov-2020	Per Commission Order
FY 2021 Merger Savings Report	FY 2021	Oct 1 2020 - Sep 30, 2021	29-Nov-2021	Per Commission Order
FY 2022 Merger Savings Report	FY 2022	Oct 1 2021 - Sep 30, 2022	29-Nov-2022	Per Commission Order

FY 2020 - 2022 Emerald ASU Borer Assessment & Adjustor - EAB Adjustor Subject to DPS Review & PUC Approval Within 60 days following each fiscal year, GMP shall file an annual report on actual EAB expenditures under the mitigation plan, and identify any returns or collections necessitated by changes in the infestation spread rate which will be collected or returned through an adjustment to the EAB line item assessment. GMP shall provide individual customer notice through bill notification 30 days prior to start of adjustment.

FY 2020 EAB Adjustor	FY 2020	Oct 1 2019 - Sep 30, 2020	29-Nov-2020	Per Commission Order
FY 2021 EAB Adjustor	FY 2021	Oct 1 2020 - Sep 30, 2021	29-Nov-2021	Per Commission Order
FY 2022 EAB Adjustor	FY 2022	Oct 1 2021 - Sep 30, 2022	29-Nov-2022	Per Commission Order

FY 2020 - 2022 Annual Plan Evaluation and Performance Metrics Beginning January 30, 2021 and each year thereafter under the Plan, the Company shall file a report with the Commission and Department evaluating the effectiveness of the Plan's performance. The evaluation shall include the performance of the plan relative to the innovative and performance metrics.

FY 2020 Annual Plan Evaluation & Performance Metric Report	FY 2020	Oct 1 2019 - Sep 30, 2020	30-Jan-2021
FY 2021 Annual Plan Evaluation & Performance Metric Report	FY 2021	Oct 1 2020 - Sep 30, 2021	30-Jan-2022
FY 2022 Annual Plan Evaluation & Performance Metric Report	FY 2022	Oct 1 2021 - Sep 30, 2022	30-Jan-2023