

STATE OF VERMONT
PUBLIC UTILITY COMMISSION

Case No. 19-2932-PET

Petition of Vermont Gas Systems, Inc. for approval of an Alternative Regulation Plan, pursuant to 30 V.S.A. § 218d	
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Order entered: 08/15/2019

ORDER APPROVING EXTENSION OF ALTERNATIVE REGULATION PLAN

In this Order, the Vermont Public Utility Commission adopts the following proposal for decision and approves the petition filed by Vermont Gas Systems, Inc. (“Vermont Gas” or “VGS”) for a one-year extension of its existing alternative regulation plan (the “Current Plan”) approved in Case No. 18-2033-PET and previously approved by the Commission in Case No. 17-3861-PET and Docket 8698.

PROPOSAL FOR DECISION

I. PROCEDURAL HISTORY

On July 3, 2019, Vermont Gas filed a petition with the Commission requesting approval of a one-year extension (the “Successor Plan”) of the Current Plan to enable continued implementation of existing provisions, including the purchase gas adjustment. Vermont Gas states that it intends to file an updated proposed alternative regulation plan for a longer term that includes provisions addressing other components of its cost of service, including the non-gas costs, by August 31, 2019 (the “Next Plan”).¹

On July 22, 2019, I issued a procedural order seeking comments on the proposed Successor Plan by August 2, 2019. A copy of the order was provided to all parties in Case Nos. 18-2033-PET and 17-3861-PET and Docket 8698.

On August 2, 2019, the Vermont Department of Public Service (“Department”) filed comments on the Successor Plan. The Department states that “ratepayer interests will be best

¹ Petition at 1.

served” by approving the Successor Plan.² The Department explains that its support “is contingent on VGS’s commitment to file a proposed alternative regulation plan [the Next Plan] that more thoroughly addresses the broader policy objectives set by the Commission in its July 23, 2018, Order in Case No. 17-3142-PET.”³

No other comments on the Successor Plan were filed.

On August 9, 2019, Vermont Gas filed a response to the Department’s comments. Vermont Gas informs the Commission that due to the internal review schedule, Vermont Gas anticipates that its Next Plan will be filed later than previously stated. Vermont Gas now states that it “is committed” to filing the Next Plan by no later than September 13, 2019.

No party requests a hearing or objects to the prefiled testimony and exhibits filed by Vermont Gas. Accordingly, the Petition, the prefiled testimony of Eileen Simollardes, and exhibits EMS-1 and EMS-2 are admitted into evidence as if presented at a hearing.

Pursuant to 30 V.S.A. § 8(c), and based on the record and evidence before me, I present the following proposed findings of fact and conclusions of law to the Commission.

II. FINDINGS

1. Vermont Gas is currently regulated under an alternative regulation plan approved by the Commission in Docket 8698 on January 20, 2017, on August 31, 2017, in Case No. 17-3861-PET, and again on August 14, 2018, in Case No. 18-2003-PET (the “Current Plan”). Simollardes pf. at 2.

2. The Current Plan is scheduled to expire on September 30, 2019. Simollardes pf. at 2.

3. Vermont Gas proposes to implement a Successor Plan that is substantially identical to the Current Plan but that amends the effective date to be October 1, 2019, and the expiration date to be September 30, 2020. Simollardes pf. at 5; exh. EMS-1.

4. The Current Plan is comprised of four discrete regulatory provisions, including the purchase gas adjustment, weather normalization provisions, service quality and reliability requirements, and report and dispute resolution provisions. These provisions will remain unchanged in the Successor Plan. Simollardes pf. at 4; exh. EMS-1.

² Department comments at 1.

³ Department comments at 1. See Case No. 17-3142, *In re: Vermont Department of Public Service Request for Workshop on Utility Rate Regulation*, Order of 7/23/18.

5. The provisions of the Current Plan do not regulate or affect VGS's non-gas rates, which are governed under traditional rate regulation and are currently under review by the Commission in Case No. 19-0513-TF. Simollardes pf. at 4.

III. DISCUSSION AND CONCLUSION

Vermont Gas requests approval of a Successor Plan that is a one-year extension of the Current Plan. The Commission previously found that the Current Plan is in the public interest and meets the statutory criteria of 30 V.S.A. § 218d.⁴ Given that the only change in the Successor Plan requested by Vermont Gas is to amend the effective date and expiration date of the Current Plan, and that no parties to Docket 8698 or Case Nos. 17-3861-PET or 18-2033-PET object to the requested extension, the Commission concludes that the Successor Plan also meets those standards. Accordingly, the request to adopt the Successor Plan is approved.

We note that the Department stated that its support of the Successor Plan is based on Vermont Gas's representation that it would file the Next Plan by August 31, 2019. Vermont Gas subsequently notified the Commission and the Department that it is committed to filing the Next Plan by no later than September 13, 2019. As a condition of our approval of the Successor Plan and as committed to in its filings in this proceeding, Vermont Gas shall file a more expansive alternative regulation plan by no later than September 13, 2019.

⁴ See Docket 8698, Order of 1/20/17 at 4; Case No. 17-3861-PET, Order of 8/31/17 at 3; and Case No. 18-2033-PET, Order of 8/14/18 at 3.

This Proposal for Decision has not been circulated to the parties pursuant to 3 V.S.A. § 811 because it is not adverse to any party.

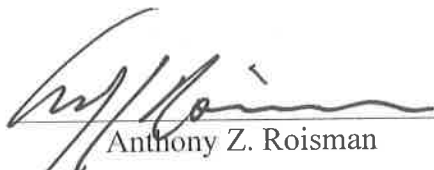


Andrea C. Poppiti
Hearing Officer

IV. ORDER

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED by the Vermont Public Utility Commission (“Commission”) that:

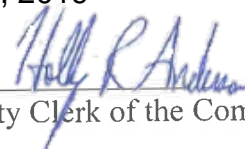
1. The findings, conclusions, and recommendations of the Hearing Officer are adopted.
2. The amended alternative regulation plan filed by Vermont Gas Systems, Inc. (“Vermont Gas”) on July 3, 2019, in this proceeding and marked as exhibit EMS-1, the “Successor Plan,” is approved.
3. On October 1, 2019, the alternative regulation plan approved by the Commission in its August 14, 2018, Order in Case No. 18-2033-PET shall cease to have effect and shall be replaced by the Successor Plan.
4. As committed to in its filings in this proceeding, Vermont Gas shall file a more expansive proposed alternative regulation plan with the Commission by no later than September 13, 2019.

Dated at Montpelier, Vermont, this 15th day of August, 2019.

)	PUBLIC UTILITY
Anthony Z. Roisman)	
)	COMMISSION
)	
Margaret Cheney)	OF VERMONT

OFFICE OF THE CLERK

Filed: August 15, 2019

Attest:  _____
 Deputy Clerk of the Commission

Notice to Readers: This decision is subject to revision of technical errors. Readers are requested to notify the Clerk of the Commission (by e-mail, telephone, or in writing) of any apparent errors, in order that any necessary corrections may be made. (E-mail address: puc.clerk@vermont.gov)

Appeal of this decision to the Supreme Court of Vermont must be filed with the Clerk of the Commission within 30 days. Appeal will not stay the effect of this Order, absent further order by this Commission or appropriate action by the Supreme Court of Vermont. Motions for reconsideration or stay, if any, must be filed with the Clerk of the Commission within 28 days of the date of this decision and Order.

PUC Case No. 19-2932-PET - SERVICE LIST

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