

**STATE OF VERMONT
PUBLIC UTILITY COMMISSION**

Case No. _____

Tariff filing of Green Mountain Power requesting an)
increase in its base rates starting January 1, 2019, to be)
fully offset by bill credits through September 30, 2019)

GREEN MOUNTAIN POWER’S PETITION FOR TARIFF CHANGE

NOW COMES Green Mountain Power (“GMP”), pursuant to 30 V.S.A. § 225,
requesting that the Vermont Public Utility Commission (“PUC”) approve a change to GMP’s
rates. In support of this request, GMP states as follows:

1. GMP is a Vermont corporation operating as an integrated electric utility and certified B-Corp in the State of Vermont, and is subject to the regulatory and rate-setting authority of the Vermont Public Utility Commission (“Commission”). 30 V.S.A. §§ 203, 209, 225.
2. As indicated in the attached testimony and exhibits, GMP is requesting a base rate of 5.45%, to be effective January 1, 2019. GMP proposes to more than offset this base rate increase with a bill credit for the 2019 rate period of \$27.4 million, which is approximately 6% of current base rates. Overall, our filing creates a net 0.5% decrease for customers during the 2019 rate period.
3. GMP’s rate request is based on a nine-month test period of January 1, 2017–September 30, 2017, with an interim period from October 1, 2017–December 31, 2018 for rate base additions, and a nine-month rate period 2019 of January 1, 2019–September 30, 2019. The timing of the rate period is designed to align our rate request with GMP’s fiscal year.

4. GMP's current base rates went into effect for the rate period beginning January 3, 2018, based upon the Commission's Order in Case No. 17-3112-INV, following rigorous review in that proceeding.
5. GMP's increased rate need for 2019 is primarily driven by uncontrollable external cost pressures. Nearly all of this rate need is a result of increased power and transmission costs, including the cost impacts of net-metering, while retail sales are expected to continue their recent downward trend in the rate period. These rate pressures are partially mitigated by ongoing savings from the federal income tax reduction, immediately delivered value from GMP's proposed JV Solar/Battery projects, and equity earnings from GMP's investments in Vermont's transmission provider (VT Transco). As in GMP's previous rate filings, increased costs are also mitigated by the higher than expected merger savings that GMP continues to return to customers.
6. As described in the supporting testimony, there are a few methodological differences in the way this filing has been prepared than in previous rate case filings. Most notably, this filing uses a forecast of rate period load, power costs, and anticipated revenue, instead of test period load adjusted for the known changes in the rate period, as was used in GMP's 2018 rate filing. As a result of the proposed change to using a forecast methodology, this filing also includes growth-related plant additions and retirements from the end of the test period through the end of the rate period. While the overall effect of this change in methodology is quite small, it is a necessary shift as forecasting provides greater accuracy in this time of declining load and retail sales than the traditional methodology of adjusting a test period for certain known and measurable changes.

7. Other than GMP's proposal to return nonrecurring federal income tax savings resulting from Accumulated Deferred Income Tax reductions as a bill credit, the rate filing affects base rates only. Power supply and storm adjustors that are governed by GMP's regulation plan are subject to a separate schedule for filings and approvals, and their periods of adjustment vary. As a result, they are not covered by this rate filing. GMP will propose a collection period for outstanding adjustors in its upcoming request for a performance-based multiyear regulation plan, which GMP anticipates filing later this year. As previously indicated, GMP will also seek an extension of its current regulation plan of up to one year or until such time as the new multi-year plan is approved.
8. Although GMP's expert witness has recommended a higher Return on Equity ("ROE") rate in his testimony and exhibits, GMP is proposing an annual ROE of 9.30% based on the commitment made in the November 9, 2017 Memorandum of Understanding between GMP and the Department of Public Service as part of the 2018 rate case.
9. The revised tariffs attached hereto increase each rate element for each rate class by the appropriate percentage, except for those rates and rate elements not subject to general rate adjustments. For these reasons, the rates contained in the proposed tariffs are just and reasonable. 30 V.S.A. § 218(a).
10. In support of this petition and in accordance with Rule 2.402(A), GMP has included the following documents:
 - a. Clean and marked versions of the proposed tariffs;
 - b. An executive summary of the tariff filing and rate case by Mary Powell, CEO of Green Mountain Power, as required by PUC Rule 2.401(A);

- c. Prefiled Testimony and Exhibits of Edmund F. Ryan, Steve Costello, Brian Otley, Jason Lisai, Joshua Castonguay, John Fiske, Kirk Shields, Douglas C. Smith, Michele C. Nelson, and James M. Coyne, which contain all components required by PUC Rule 2.402(A); and
 - d. Notices of Appearance.
11. Pursuant to 30 V.S.A. §§ 218d(j), 225-227, the proposed tariffs incorporate an effective date of January 1, 2018, and are being filed at this time in order to provide 1) more than 45 days notice as required by § 225(a), and 2) time for the Commission to complete whatever review it deems appropriate within the seven-month statutory review period established in § 227(a). GMP therefore requests that the Commission issue a final determination on the proposed rate change by no later than December 31, 2018.
 12. GMP further requests that the Commission set a date for a pre-hearing conference in this matter so that a schedule for this matter may be established forthwith. GMP will file a proposed schedule with the Commission prior to the scheduled status conference.

WHEREFORE, GMP requests that the Commission:

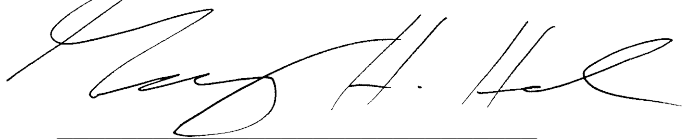
1. To the extent necessary, suspend application of any base rate change until no later than January 1, 2019;
2. Schedule a prehearing conference on GMP's petition and issue an order establishing procedural requirements, including the scheduling of technical hearings, as may be appropriate for the Commission's review of the rate filing;
3. Make findings of fact and conclusions of law with respect to the matters set forth in this Petition;

4. Consistent with 30 V.S.A. § 227(a), issue an order no later than December 31, 2018 approving the revised rates to be effective January 1, 2019; and
5. Take such other actions as in the Commission's judgment are necessary or advisable in connection with this petition.

DATED at Burlington, Vermont this 13th day of April, 2018.

GREEN MOUNTAIN POWER

By:



Geoffrey H. Hand, Esq.
Elizabeth Miller, Esq.
Victoria M. Westgate, Esq.
Dunkiel Saunders Elliott Raubvogel & Hand, PLLC
91 College Street, PO Box 545
Burlington, Vermont 05402-0545
gband@dunkielsaunders.com
(802) 860-1003 x 110