| THIS FILING IS | | |
|---|---|---|
| Item 1: [X] An Initial (Original) Submission | OR [ ] Resubmission No. ____ | |

Form 1 Approved
OMB No.1902-0021
(Expires 12/31/2019)
Form 1-F Approved
OMB No.1902-0029
(Expires 12/31/2019)
Form 3-Q Approved
OMB No.1902-0205
(Expires 12/31/2019)

# FERC FINANCIAL REPORT
# FERC FORM No. 1: Annual Report of Major Electric Utilities, Licensees and Others and Supplemental Form 3-Q: Quarterly Financial Report

These reports are mandatory under the Federal Power Act, Sections 3, 4(a), 304 and 309, and 18 CFR 141.1 and 141.400. Failure to report may result in criminal fines, civil penalties and other sanctions as provided by law. The Federal Energy Regulatory Commission does not consider these reports to be of confidential nature

| Exact Legal Name of Respondent (Company) | Year/Period of Report |
|---|---|
| Green Mountain Power Corp | End of 2018/Q3 |

# FERC FORM NO. 1/3-Q:
## REPORT OF MAJOR ELECTRIC UTILITIES, LICENSEES AND OTHER

**IDENTIFICATION**

| | |
|---|---|
| 01 Exact Legal Name of Respondent<br>Green Mountain Power Corp | 02 Year/Period of Report<br>End of 2018/Q3 |
| 03 Previous Name and Date of Change *(if name changed during year)*<br>/ / | |
| 04 Address of Principal Office at End of Period *(Street, City, State, Zip Code)*<br>163 Acorn Lane Colchester, VT 05446 | |
| 05 Name of Contact Person<br>Dawn D. Bugbee | 06 Title of Contact Person<br>Chief Financial Officer |
| 07 Address of Contact Person *(Street, City, State, Zip Code)*<br>163 Acorn Lane Colchester, VT 05446 | |

| 08 Telephone of Contact Person, *Including Area Code* | 09 This Report Is | 10 Date of Report *(Mo, Da, Yr)* |
|---|---|---|
| (802) 655-8768 | (1) [X] An Original (2) [ ] A Resubmission | 09/30/2018 |

**QUARTERLY CORPORATE OFFICER CERTIFICATION**

The undersigned officer certifies that:

I have examined this report and to the best of my knowledge, information, and belief all statements of fact contained in this report are correct statements of the business affairs of the respondent and the financial statements, and other financial information contained in this report, conform in all material respects to the Uniform System of Accounts.

| 01 Name / 02 Title | 03 Signature | 04 Date Signed *(Mo, Da, Yr)* |
|---|---|---|
| 01 Name<br>Dawn D. Bugbee<br>02 Title<br>Chief Financial Officer | Dawn D. Bugbee | 11/26/2018 |

Title 18, U.S.C. 1001 makes it a crime for any person to knowingly and willingly to make to any Agency or Department of the United States any false, fictitious or fraudulent statements as to any matter within its jurisdiction.

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Green Mountain Power Corp | (1) [X] An Original<br>(2) [ ] A Resubmission | 09/30/2018 | End of 2018/Q3 |

## LIST OF SCHEDULES (Electric Utility)

Enter in column (c) the terms "none," "not applicable," or "NA," as appropriate, where no information or amounts have been reported for certain pages. Omit pages where the respondents are "none," "not applicable," or "NA".

| Name of Respondent | This Report Is: | Date of Report | Year/Period of Report |
|---|---|---|---|
| Green Mountain Power Corp | (1) [X] An Original<br>(2) [ ] A Resubmission | 09/30/2018 | End of 2018/Q3 |

## IMPORTANT CHANGES DURING THE QUARTER/YEAR

Give particulars (details) concerning the matters indicated below. Make the statements explicit and precise, and number them in accordance with the inquiries. Each inquiry should be answered. Enter "none," "not applicable," or "NA" where applicable. If information which answers an inquiry is given elsewhere in the report, make a reference to the schedule in which it appears.

1. Changes in and important additions to franchise rights: Describe the actual consideration given therefore and state from whom the franchise rights were acquired. If acquired without the payment of consideration, state that fact.
2. Acquisition of ownership in other companies by reorganization, merger, or consolidation with other companies: Give names of companies involved, particulars concerning the transactions, name of the Commission authorizing the transaction, and reference to Commission authorization.
3. Purchase or sale of an operating unit or system: Give a brief description of the property, and of the transactions relating thereto, and reference to Commission authorization, if any was required. Give date journal entries called for by the Uniform System of Accounts were submitted to the Commission.
4. Important leaseholds (other than leaseholds for natural gas lands) that have been acquired or given, assigned or surrendered: Give effective dates, lengths of terms, names of parties, rents, and other condition. State name of Commission authorizing lease and give reference to such authorization.
5. Important extension or reduction of transmission or distribution system: State territory added or relinquished and date operations began or ceased and give reference to Commission authorization, if any was required. State also the approximate number of customers added or lost and approximate annual revenues of each class of service. Each natural gas company must also state major new continuing sources of gas made available to it from purchases, development, purchase contract or otherwise, giving location and approximate total gas volumes available, period of contracts, and other parties to any such arrangements, etc.
6. Obligations incurred as a result of issuance of securities or assumption of liabilities or guarantees including issuance of short-term debt and commercial paper having a maturity of one year or less. Give reference to FERC or State Commission authorization, as appropriate, and the amount of obligation or guarantee.
7. Changes in articles of incorporation or amendments to charter: Explain the nature and purpose of such changes or amendments.
8. State the estimated annual effect and nature of any important wage scale changes during the year.
9. State briefly the status of any materially important legal proceedings pending at the end of the year, and the results of any such proceedings culminated during the year.
10. Describe briefly any materially important transactions of the respondent not disclosed elsewhere in this report in which an officer, director, security holder reported on Page 104 or 105 of the Annual Report Form No. 1, voting trustee, associated company or known associate of any of these persons was a party or in which any such person had a material interest.
11. (Reserved.)
12. If the important changes during the year relating to the respondent company appearing in the annual report to stockholders are applicable in every respect and furnish the data required by Instructions 1 to 11 above, such notes may be included on this page.
13. Describe fully any changes in officers, directors, major security holders and voting powers of the respondent that may have occurred during the reporting period.
14. In the event that the respondent participates in a cash management program(s) and its proprietary capital ratio is less than 30 percent please describe the significant events or transactions causing the proprietary capital ratio to be less than 30 percent, and the extent to which the respondent has amounts loaned or money advanced to its parent, subsidiary, or affiliated companies through a cash management program(s). Additionally, please describe plans, if any to regain at least a 30 percent proprietary ratio.

PAGE 108 INTENTIONALLY LEFT BLANK
SEE PAGE 109 FOR REQUIRED INFORMATION.

1. No changes to or purchases of franchise rights occurred.

2. There were no acquisitions of ownership in other companies by reorganization, merger, or consolidation with other companies.

3. There were no purchases or sales of operating units or systems.

4. No important leaseholds were entered into or surrendered.

5. No important extensions or reductions of the transmission or distribution system.

6. Effective September 14, 2018, GMP entered into a $140,000 credit facility, with the ability to increase it by an additional $10,000, with KeyBank N.A. as the lead bank. This facility replaced a $110,000 credit facility with a $15,000 accordion feature with KeyBank N.A. as the lead bank. Also, On September 19, 2018, the Company closed on a $25,000 First Mortgage Bond issuance under the 28th Supplemental Indenture and has agreed to issue an additional $20,000 under this Indenture in December 2018.

7. There were no changes in articles of incorporation or amendments to charter.

8. No significant changes to the wage scale occurred.

9. See page 123 - Notes to Financial Statements for discussion of legal proceedings.

10. None

11. Reserved

12. On August 10, 2018, Department filed their response to the Company's proposed 2019 Rate Filing. The Department proposed the Company receive a 4.7% base rate increase effective January 1, 2019. The Department agreed with the Company's proposed ROE of 9.3% and the return of $27.4 million of corporate tax reform benefits.

    On Sep 11, 2018, the Company announced a multi-year term contract was reached with its Rate 70 Transmission customer to provide the customer with stable and predictable energy costs. In exchange, the customer agrees to maintain its power use on site, and forgo credits or rate cuts flowing to other Company customers during the term of the agreement, including the significant tax reform credits. The term contract is effective from January 1, 2019 through September 30, 2022 and is subject to regulatory review and approval.

    On September 12, 2018, the Company filed rebuttal testimony updating its 2019 Rate Filing to reflect the Rate 70 Transmission customer term contract and certain adjustments recommended by the Department and agreed to by the Company. The Company's revised request is an increase in base rates by 5.43% or $23.5 million for the rate period January 1, 2019 to September 30, 2019. When factoring in the $27.4 million of tax reform bill credits customers will be receiving during this rate period, overall customers will see a bill decrease of 0.9%.

    On October 8, 2018, the DPS filed surrebuttal testimony and has updated their proposed 2019 Rate Filing increase to 5.30%, which would result in a bill decrease of 1.03% during the rate period when taking into account the tax reform bill credits customers will be receiving.

The VPUC held Technical Hearings on the Company's request in October 2018 and is expected to issue an Order in December 2018.

Also, see page 123 - Notes to Financial Statements.

13. No changes

14. Not Applicable

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Green Mountain Power Corp | (1) [X] An Original<br>(2) [ ] A Resubmission | 09/30/2018 | End of 2018/Q3 |

## COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS)

| Line No. | Title of Account (a) | Ref. Page No. (b) | Current Year End of Quarter/Year Balance (c) | Prior Year End Balance 12/31 (d) |
|---|---|---|---|---|
| 1 | **UTILITY PLANT** | | | |
| 2 | Utility Plant (101-106, 114) | 200-201 | 1,822,070,513 | 1,772,039,463 |
| 3 | Construction Work in Progress (107) | 200-201 | 51,258,104 | 59,309,167 |
| 4 | TOTAL Utility Plant (Enter Total of lines 2 and 3) | | 1,873,328,617 | 1,831,348,630 |
| 5 | (Less) Accum. Prov. for Depr. Amort. Depl. (108, 110, 111, 115) | 200-201 | 659,939,767 | 641,270,268 |
| 6 | Net Utility Plant (Enter Total of line 4 less 5) | | 1,213,388,850 | 1,190,078,362 |
| 7 | Nuclear Fuel in Process of Ref., Conv.,Enrich., and Fab. (120.1) | 202-203 | 0 | 0 |
| 8 | Nuclear Fuel Materials and Assemblies-Stock Account (120.2) | | 380,726 | 1,612,273 |
| 9 | Nuclear Fuel Assemblies in Reactor (120.3) | | 3,747,597 | 3,869,236 |
| 10 | Spent Nuclear Fuel (120.4) | | 18,550,611 | 16,864,023 |
| 11 | Nuclear Fuel Under Capital Leases (120.6) | | 0 | 0 |
| 12 | (Less) Accum. Prov. for Amort. of Nucl. Fuel Assemblies (120.5) | 202-203 | 20,699,636 | 19,811,865 |
| 13 | Net Nuclear Fuel (Enter Total of lines 7-11 less 12) | | 1,979,298 | 2,533,667 |
| 14 | Net Utility Plant (Enter Total of lines 6 and 13) | | 1,215,368,148 | 1,192,612,029 |
| 15 | Utility Plant Adjustments (116) | | 0 | 0 |
| 16 | Gas Stored Underground - Noncurrent (117) | | 0 | 0 |
| 17 | **OTHER PROPERTY AND INVESTMENTS** | | | |
| 18 | Nonutility Property (121) | | 18,028,396 | 17,203,391 |
| 19 | (Less) Accum. Prov. for Depr. and Amort. (122) | | 9,617,796 | 9,379,320 |
| 20 | Investments in Associated Companies (123) | | 0 | 0 |
| 21 | Investment in Subsidiary Companies (123.1) | 224-225 | 655,262,051 | 646,887,556 |
| 22 | (For Cost of Account 123.1, See Footnote Page 224, line 42) | | | |
| 23 | Noncurrent Portion of Allowances | 228-229 | 0 | 0 |
| 24 | Other Investments (124) | | 17,020,410 | 16,747,349 |
| 25 | Sinking Funds (125) | | 0 | 0 |
| 26 | Depreciation Fund (126) | | 0 | 0 |
| 27 | Amortization Fund - Federal (127) | | 0 | 0 |
| 28 | Other Special Funds (128) | | 12,940,202 | 11,917,950 |
| 29 | Special Funds (Non Major Only) (129) | | 0 | 0 |
| 30 | Long-Term Portion of Derivative Assets (175) | | 0 | 0 |
| 31 | Long-Term Portion of Derivative Assets – Hedges (176) | | 0 | 0 |
| 32 | TOTAL Other Property and Investments (Lines 18-21 and 23-31) | | 693,633,263 | 683,376,926 |
| 33 | **CURRENT AND ACCRUED ASSETS** | | | |
| 34 | Cash and Working Funds (Non-major Only) (130) | | 0 | 0 |
| 35 | Cash (131) | | 3,967,514 | 2,986,192 |
| 36 | Special Deposits (132-134) | | 9,519 | 2,519,702 |
| 37 | Working Fund (135) | | 0 | 0 |
| 38 | Temporary Cash Investments (136) | | 0 | 0 |
| 39 | Notes Receivable (141) | | 0 | 0 |
| 40 | Customer Accounts Receivable (142) | | 54,196,899 | 50,620,462 |
| 41 | Other Accounts Receivable (143) | | 3,756,636 | 3,043,683 |
| 42 | (Less) Accum. Prov. for Uncollectible Acct.-Credit (144) | | 1,023,676 | 1,352,305 |
| 43 | Notes Receivable from Associated Companies (145) | | 0 | 0 |
| 44 | Accounts Receivable from Assoc. Companies (146) | | 1,587,813 | 282,840 |
| 45 | Fuel Stock (151) | 227 | 4,640,391 | 5,376,882 |
| 46 | Fuel Stock Expenses Undistributed (152) | 227 | 68,329 | 94,123 |
| 47 | Residuals (Elec) and Extracted Products (153) | 227 | 0 | 0 |
| 48 | Plant Materials and Operating Supplies (154) | 227 | 18,464,459 | 17,640,183 |
| 49 | Merchandise (155) | 227 | 0 | 0 |
| 50 | Other Materials and Supplies (156) | 227 | 0 | 0 |
| 51 | Nuclear Materials Held for Sale (157) | 202-203/227 | 0 | 0 |
| 52 | Allowances (158.1 and 158.2) | 228-229 | 0 | 0 |

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Green Mountain Power Corp | (1) [X] An Original<br>(2) [ ] A Resubmission | 09/30/2018 | End of 2018/Q3 |

## COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS)(Continued)

| Line No. | Title of Account (a) | Ref. Page No. (b) | Current Year End of Quarter/Year Balance (c) | Prior Year End Balance 12/31 (d) |
|---|---|---|---|---|
| 53 | (Less) Noncurrent Portion of Allowances | | 0 | 0 |
| 54 | Stores Expense Undistributed (163) | 227 | 1,331,071 | 1,509,883 |
| 55 | Gas Stored Underground - Current (164.1) | | 0 | 0 |
| 56 | Liquefied Natural Gas Stored and Held for Processing (164.2-164.3) | | 0 | 0 |
| 57 | Prepayments (165) | | 6,053,103 | 8,951,948 |
| 58 | Advances for Gas (166-167) | | 0 | 0 |
| 59 | Interest and Dividends Receivable (171) | | 0 | 0 |
| 60 | Rents Receivable (172) | | 1,784,793 | 2,190,214 |
| 61 | Accrued Utility Revenues (173) | | 22,486,936 | 29,256,712 |
| 62 | Miscellaneous Current and Accrued Assets (174) | | 7,487,115 | 5,431,361 |
| 63 | Derivative Instrument Assets (175) | | 0 | 0 |
| 64 | (Less) Long-Term Portion of Derivative Instrument Assets (175) | | 0 | 0 |
| 65 | Derivative Instrument Assets - Hedges (176) | | 11,101,188 | 10,350,388 |
| 66 | (Less) Long-Term Portion of Derivative Instrument Assets - Hedges (176 | | 0 | 0 |
| 67 | Total Current and Accrued Assets (Lines 34 through 66) | | 135,912,090 | 138,902,268 |
| 68 | **DEFERRED DEBITS** | | | |
| 69 | Unamortized Debt Expenses (181) | | 4,859,720 | 4,792,014 |
| 70 | Extraordinary Property Losses (182.1) | 230a | 0 | 0 |
| 71 | Unrecovered Plant and Regulatory Study Costs (182.2) | 230b | 0 | 0 |
| 72 | Other Regulatory Assets (182.3) | 232 | 10,519,542 | 1,159,395 |
| 73 | Prelim. Survey and Investigation Charges (Electric) (183) | | 5,056,771 | 3,487,942 |
| 74 | Preliminary Natural Gas Survey and Investigation Charges 183.1) | | 0 | 0 |
| 75 | Other Preliminary Survey and Investigation Charges (183.2) | | 0 | 0 |
| 76 | Clearing Accounts (184) | | -74,535 | -270,033 |
| 77 | Temporary Facilities (185) | | 0 | 0 |
| 78 | Miscellaneous Deferred Debits (186) | 233 | 152,443,318 | 189,032,151 |
| 79 | Def. Losses from Disposition of Utility Plt. (187) | | 0 | 0 |
| 80 | Research, Devel. and Demonstration Expend. (188) | 352-353 | 0 | 0 |
| 81 | Unamortized Loss on Reaquired Debt (189) | | 0 | 0 |
| 82 | Accumulated Deferred Income Taxes (190) | 234 | 112,290,063 | 156,858,041 |
| 83 | Unrecovered Purchased Gas Costs (191) | | 0 | 0 |
| 84 | Total Deferred Debits (lines 69 through 83) | | 285,094,879 | 355,059,510 |
| 85 | TOTAL ASSETS (lines 14-16, 32, 67, and 84) | | 2,330,008,380 | 2,369,950,733 |

| Name of Respondent | This Report is: | Date of Report (mo, da, yr) | Year/Period of Report |
|---|---|---|---|
| Green Mountain Power Corp | (1) [X] An Original<br>(2) [ ] A Resubmission | 09/30/2018 | end of 2018/Q3 |

## COMPARATIVE BALANCE SHEET (LIABILITIES AND OTHER CREDITS)

| Line No. | Title of Account (a) | Ref. Page No. (b) | Current Year End of Quarter/Year Balance (c) | Prior Year End Balance 12/31 (d) |
|---|---|---|---|---|
| 1 | PROPRIETARY CAPITAL | | | |
| 2 | Common Stock Issued (201) | 250-251 | 333 | 333 |
| 3 | Preferred Stock Issued (204) | 250-251 | 0 | 0 |
| 4 | Capital Stock Subscribed (202, 205) | | 0 | 0 |
| 5 | Stock Liability for Conversion (203, 206) | | 0 | 0 |
| 6 | Premium on Capital Stock (207) | | 0 | 0 |
| 7 | Other Paid-In Capital (208-211) | 253 | 559,393,341 | 559,393,341 |
| 8 | Installments Received on Capital Stock (212) | 252 | 0 | 0 |
| 9 | (Less) Discount on Capital Stock (213) | 254 | 0 | 0 |
| 10 | (Less) Capital Stock Expense (214) | 254b | 0 | 0 |
| 11 | Retained Earnings (215, 215.1, 216) | 118-119 | 93,891,788 | 76,927,357 |
| 12 | Unappropriated Undistributed Subsidiary Earnings (216.1) | 118-119 | 149,467,713 | 141,156,435 |
| 13 | (Less) Reaquired Capital Stock (217) | 250-251 | 0 | 0 |
| 14 | Noncorporate Proprietorship (Non-major only) (218) | | 0 | 0 |
| 15 | Accumulated Other Comprehensive Income (219) | 122(a)(b) | 0 | 0 |
| 16 | Total Proprietary Capital (lines 2 through 15) | | 802,753,175 | 777,477,466 |
| 17 | LONG-TERM DEBT | | | |
| 18 | Bonds (221) | 256-257 | 726,130,046 | 702,410,046 |
| 19 | (Less) Reaquired Bonds (222) | 256-257 | 0 | 0 |
| 20 | Advances from Associated Companies (223) | 256-257 | 0 | 0 |
| 21 | Other Long-Term Debt (224) | 256-257 | 0 | 0 |
| 22 | Unamortized Premium on Long-Term Debt (225) | | 0 | 0 |
| 23 | (Less) Unamortized Discount on Long-Term Debt-Debit (226) | | 0 | 0 |
| 24 | Total Long-Term Debt (lines 18 through 23) | | 726,130,046 | 702,410,046 |
| 25 | OTHER NONCURRENT LIABILITIES | | | |
| 26 | Obligations Under Capital Leases - Noncurrent (227) | | 0 | 0 |
| 27 | Accumulated Provision for Property Insurance (228.1) | | 0 | 0 |
| 28 | Accumulated Provision for Injuries and Damages (228.2) | | 3,106,442 | 2,712,492 |
| 29 | Accumulated Provision for Pensions and Benefits (228.3) | | 9,523,475 | 10,614,056 |
| 30 | Accumulated Miscellaneous Operating Provisions (228.4) | | 0 | 0 |
| 31 | Accumulated Provision for Rate Refunds (229) | | 0 | 0 |
| 32 | Long-Term Portion of Derivative Instrument Liabilities | | 0 | 0 |
| 33 | Long-Term Portion of Derivative Instrument Liabilities - Hedges | | 0 | 0 |
| 34 | Asset Retirement Obligations (230) | | 9,041,583 | 8,719,176 |
| 35 | Total Other Noncurrent Liabilities (lines 26 through 34) | | 21,671,500 | 22,045,724 |
| 36 | CURRENT AND ACCRUED LIABILITIES | | | |
| 37 | Notes Payable (231) | | 73,511,355 | 113,069,277 |
| 38 | Accounts Payable (232) | | 49,928,614 | 54,154,644 |
| 39 | Notes Payable to Associated Companies (233) | | 0 | 0 |
| 40 | Accounts Payable to Associated Companies (234) | | 30,522 | 2,629,211 |
| 41 | Customer Deposits (235) | | 1,145,532 | 1,387,414 |
| 42 | Taxes Accrued (236) | 262-263 | 2,673,276 | 3,616,059 |
| 43 | Interest Accrued (237) | | 10,963,134 | 4,553,813 |
| 44 | Dividends Declared (238) | | 0 | 0 |
| 45 | Matured Long-Term Debt (239) | | 0 | 0 |

| Name of Respondent | This Report is: | Date of Report (mo, da, yr) | Year/Period of Report |
|---|---|---|---|
| Green Mountain Power Corp | (1) [X] An Original<br>(2) [ ] A Resubmission | 09/30/2018 | end of 2018/Q3 |

## COMPARATIVE BALANCE SHEET (LIABILITIES AND OTHER CREDITS)(continued)

| Line No. | Title of Account (a) | Ref. Page No. (b) | Current Year End of Quarter/Year Balance (c) | Prior Year End Balance 12/31 (d) |
|---|---|---|---|---|
| 46 | Matured Interest (240) | | 0 | 0 |
| 47 | Tax Collections Payable (241) | | 963,920 | 1,799,041 |
| 48 | Miscellaneous Current and Accrued Liabilities (242) | | 15,281,172 | 9,360,258 |
| 49 | Obligations Under Capital Leases-Current (243) | | 0 | 0 |
| 50 | Derivative Instrument Liabilities (244) | | 0 | 0 |
| 51 | (Less) Long-Term Portion of Derivative Instrument Liabilities | | 0 | 0 |
| 52 | Derivative Instrument Liabilities - Hedges (245) | | 22,830,909 | 41,788,314 |
| 53 | (Less) Long-Term Portion of Derivative Instrument Liabilities-Hedges | | 0 | 0 |
| 54 | Total Current and Accrued Liabilities (lines 37 through 53) | | 177,328,434 | 232,358,031 |
| 55 | DEFERRED CREDITS | | | |
| 56 | Customer Advances for Construction (252) | | 204,373 | 246,548 |
| 57 | Accumulated Deferred Investment Tax Credits (255) | 266-267 | 7,377,343 | 7,496,495 |
| 58 | Deferred Gains from Disposition of Utility Plant (256) | | 0 | 0 |
| 59 | Other Deferred Credits (253) | 269 | 94,991,338 | 100,147,541 |
| 60 | Other Regulatory Liabilities (254) | 278 | 177,865,511 | 177,666,392 |
| 61 | Unamortized Gain on Reaquired Debt (257) | | 0 | 0 |
| 62 | Accum. Deferred Income Taxes-Accel. Amort.(281) | 272-277 | 0 | 0 |
| 63 | Accum. Deferred Income Taxes-Other Property (282) | | 159,767,282 | 119,397,661 |
| 64 | Accum. Deferred Income Taxes-Other (283) | | 161,919,378 | 230,704,829 |
| 65 | Total Deferred Credits (lines 56 through 64) | | 602,125,225 | 635,659,466 |
| 66 | TOTAL LIABILITIES AND STOCKHOLDER EQUITY (lines 16, 24, 35, 54 and 65) | | 2,330,008,380 | 2,369,950,733 |

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Green Mountain Power Corp | (1) [X] An Original<br>(2) [ ] A Resubmission | 09/30/2018 | End of 2018/Q3 |

## STATEMENT OF INCOME

Quarterly

1. Report in column (c) the current year to date balance. Column (c) equals the total of adding the data in column (g) plus the data in column (i) plus the data in column (k). Report in column (d) similar data for the previous year. This information is reported in the annual filing only.
2. Enter in column (e) the balance for the reporting quarter and in column (f) the balance for the same three month period for the prior year.
3. Report in column (g) the quarter to date amounts for electric utility function; in column (i) the quarter to date amounts for gas utility, and in column (k) the quarter to date amounts for other utility function for the current year quarter.
4. Report in column (h) the quarter to date amounts for electric utility function; in column (j) the quarter to date amounts for gas utility, and in column (l) the quarter to date amounts for other utility function for the prior year quarter.
5. If additional columns are needed, place them in a footnote.

Annual or Quarterly if applicable

5. Do not report fourth quarter data in columns (e) and (f)
6. Report amounts for accounts 412 and 413, Revenues and Expenses from Utility Plant Leased to Others, in another utility columnin a similar manner to a utility department. Spread the amount(s) over lines 2 thru 26 as appropriate. Include these amounts in columns (c) and (d) totals.
7. Report amounts in account 414, Other Utility Operating Income, in the same manner as accounts 412 and 413 above.

| Line No. | Title of Account (a) | (Ref.) Page No. (b) | Total Current Year to Date Balance for Quarter/Year (c) | Total Prior Year to Date Balance for Quarter/Year (d) | Current 3 Months Ended Quarterly Only No 4th Quarter (e) | Prior 3 Months Ended Quarterly Only No 4th Quarter (f) |
|---|---|---|---|---|---|---|
| 1 | UTILITY OPERATING INCOME | | | | | |
| 2 | Operating Revenues (400) | 300-301 | 536,058,974 | 485,000,665 | 181,801,347 | 164,440,271 |
| 3 | Operating Expenses | | | | | |
| 4 | Operation Expenses (401) | 320-323 | 385,601,017 | 341,991,718 | 128,096,942 | 111,332,166 |
| 5 | Maintenance Expenses (402) | 320-323 | 36,217,304 | 36,139,552 | 10,833,338 | 11,764,955 |
| 6 | Depreciation Expense (403) | 336-337 | 32,196,618 | 30,873,713 | 10,861,495 | 10,303,254 |
| 7 | Depreciation Expense for Asset Retirement Costs (403.1) | 336-337 | 101,295 | 102,954 | 33,765 | 33,765 |
| 8 | Amort. & Depl. of Utility Plant (404-405) | 336-337 | 8,633,330 | 11,167,318 | 2,696,180 | 3,783,062 |
| 9 | Amort. of Utility Plant Acq. Adj. (406) | 336-337 | | | | |
| 10 | Amort. Property Losses, Unrecov Plant and Regulatory Study Costs (407) | | | | | |
| 11 | Amort. of Conversion Expenses (407) | | | | | |
| 12 | Regulatory Debits (407.3) | | 14,431,991 | 16,585,776 | 2,726,731 | 2,152,064 |
| 13 | (Less) Regulatory Credits (407.4) | | 13,493,983 | 15,530,539 | 3,948,986 | 5,176,846 |
| 14 | Taxes Other Than Income Taxes (408.1) | 262-263 | 26,936,732 | 26,561,101 | 8,172,021 | 8,037,418 |
| 15 | Income Taxes - Federal (409.1) | 262-263 | 23,948 | -96,693 | 23,604 | -316,277 |
| 16 | - Other (409.1) | 262-263 | | | | |
| 17 | Provision for Deferred Income Taxes (410.1) | 234, 272-277 | 18,551,632 | 29,269,933 | 6,745,451 | 11,875,462 |
| 18 | (Less) Provision for Deferred Income Taxes-Cr. (411.1) | 234, 272-277 | | | | |
| 19 | Investment Tax Credit Adj. - Net (411.4) | 266 | -104,605 | -112,261 | -34,868 | -37,420 |
| 20 | (Less) Gains from Disp. of Utility Plant (411.6) | | | | | |
| 21 | Losses from Disp. of Utility Plant (411.7) | | | | | |
| 22 | (Less) Gains from Disposition of Allowances (411.8) | | | | | |
| 23 | Losses from Disposition of Allowances (411.9) | | | | | |
| 24 | Accretion Expense (411.10) | | 194,057 | 186,183 | 129,371 | 62,061 |
| 25 | TOTAL Utility Operating Expenses (Enter Total of lines 4 thru 24) | | 509,289,336 | 477,138,755 | 166,335,044 | 153,813,664 |
| 26 | Net Util Oper Inc (Enter Tot line 2 less 25) Carry to Pg117,line 27 | | 26,769,638 | 7,861,910 | 15,466,303 | 10,626,607 |

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Green Mountain Power Corp | (1) [X] An Original<br>(2) [ ] A Resubmission | 09/30/2018 | End of 2018/Q3 |

STATEMENT OF INCOME FOR THE YEAR (Continued)

9. Use page 122 for important notes regarding the statement of income for any account thereof.
10. Give concise explanations concerning unsettled rate proceedings where a contingency exists such that refunds of a material amount may need to be made to the utility's customers or which may result in material refund to the utility with respect to power or gas purchases. State for each year effected the gross revenues or costs to which the contingency relates and the tax effects together with an explanation of the major factors which affect the rights of the utility to retain such revenues or recover amounts paid with respect to power or gas purchases.
11 Give concise explanations concerning significant amounts of any refunds made or received during the year resulting from settlement of any rate proceeding affecting revenues received or costs incurred for power or gas purches, and a summary of the adjustments made to balance sheet, income, and expense accounts.
12. If any notes appearing in the report to stokholders are applicable to the Statement of Income, such notes may be included at page 122.
13. Enter on page 122 a concise explanation of only those changes in accounting methods made during the year which had an effect on net income, including the basis of allocations and apportionments from those used in the preceding year. Also, give the appropriate dollar effect of such changes.
14. Explain in a footnote if the previous year's/quarter's figures are different from that reported in prior reports.
15. If the columns are insufficient for reporting additional utility departments, supply the appropriate account titles report the information in a footnote to this schedule.

| ELECTRIC UTILITY | | GAS UTILITY | | OTHER UTILITY | | |
|---|---|---|---|---|---|---|
| Current Year to Date (in dollars) (g) | Previous Year to Date (in dollars) (h) | Current Year to Date (in dollars) (i) | Previous Year to Date (in dollars) (j) | Current Year to Date (in dollars) (k) | Previous Year to Date (in dollars) (l) | Line No. |
| | | | | | | 1 |
| 536,058,974 | 485,000,665 | | | | | 2 |
| | | | | | | 3 |
| 385,601,017 | 341,991,718 | | | | | 4 |
| 36,217,304 | 36,139,552 | | | | | 5 |
| 32,196,618 | 30,873,713 | | | | | 6 |
| 101,295 | 102,954 | | | | | 7 |
| 8,633,330 | 11,167,318 | | | | | 8 |
| | | | | | | 9 |
| | | | | | | 10 |
| | | | | | | 11 |
| 14,431,991 | 16,585,776 | | | | | 12 |
| 13,493,983 | 15,530,539 | | | | | 13 |
| 26,936,732 | 26,561,101 | | | | | 14 |
| 23,948 | -96,693 | | | | | 15 |
| | | | | | | 16 |
| 18,551,632 | 29,269,933 | | | | | 17 |
| | | | | | | 18 |
| -104,605 | -112,261 | | | | | 19 |
| | | | | | | 20 |
| | | | | | | 21 |
| | | | | | | 22 |
| | | | | | | 23 |
| 194,057 | 186,183 | | | | | 24 |
| 509,289,336 | 477,138,755 | | | | | 25 |
| 26,769,638 | 7,861,910 | | | | | 26 |

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Green Mountain Power Corp | (1) [X] An Original<br>(2) [ ] A Resubmission | 09/30/2018 | End of 2018/Q3 |

## STATEMENT OF INCOME FOR THE YEAR (continued)

| Line No. | Title of Account (a) | (Ref.) Page No. (b) | TOTAL Current Year (c) | TOTAL Previous Year (d) | Current 3 Months Ended Quarterly Only No 4th Quarter (e) | Prior 3 Months Ended Quarterly Only No 4th Quarter (f) |
|---|---|---|---|---|---|---|
| 27 | Net Utility Operating Income (Carried forward from page 114) | | 26,769,638 | 7,861,910 | 15,466,303 | 10,626,607 |
| 28 | Other Income and Deductions | | | | | |
| 29 | Other Income | | | | | |
| 30 | Nonutilty Operating Income | | | | | |
| 31 | Revenues From Merchandising, Jobbing and Contract Work (415) | | 790,477 | 821,113 | 274,814 | 408,971 |
| 32 | (Less) Costs and Exp. of Merchandising, Job. & Contract Work (416) | | 570,820 | 569,703 | 232,108 | 286,307 |
| 33 | Revenues From Nonutility Operations (417) | | | | | |
| 34 | (Less) Expenses of Nonutility Operations (417.1) | | | | | |
| 35 | Nonoperating Rental Income (418) | | 662,013 | 768,440 | 250,626 | 233,004 |
| 36 | Equity in Earnings of Subsidiary Companies (418.1) | 119 | 60,250,267 | 70,754,687 | 18,438,976 | 19,992,464 |
| 37 | Interest and Dividend Income (419) | | 19,873 | 15,464 | 744 | 7,007 |
| 38 | Allowance for Other Funds Used During Construction (419.1) | | 831,787 | 1,100,977 | 230,679 | 347,632 |
| 39 | Miscellaneous Nonoperating Income (421) | | 396 | 247 | 76 | 113 |
| 40 | Gain on Disposition of Property (421.1) | | -14,150 | 3,125 | -14,150 | 3,125 |
| 41 | TOTAL Other Income (Enter Total of lines 31 thru 40) | | 61,969,843 | 72,894,350 | 18,949,657 | 20,706,009 |
| 42 | Other Income Deductions | | | | | |
| 43 | Loss on Disposition of Property (421.2) | | | 7,304 | | 1,054 |
| 44 | Miscellaneous Amortization (425) | | | | | |
| 45 | Donations (426.1) | | 521,177 | 277,194 | 69,128 | 141,641 |
| 46 | Life Insurance (426.2) | | 43,070 | -2,616,815 | -5,554 | -1,576,369 |
| 47 | Penalties (426.3) | | | | | |
| 48 | Exp. for Certain Civic, Political & Related Activities (426.4) | | 138,531 | 164,421 | 39,117 | 50,979 |
| 49 | Other Deductions (426.5) | | 2,331,243 | 2,421,697 | 1,314,945 | 1,069,884 |
| 50 | TOTAL Other Income Deductions (Total of lines 43 thru 49) | | 3,034,021 | 253,801 | 1,417,636 | -312,811 |
| 51 | Taxes Applic. to Other Income and Deductions | | | | | |
| 52 | Taxes Other Than Income Taxes (408.2) | 262-263 | 21,232 | 20,733 | 4,132 | 2,733 |
| 53 | Income Taxes-Federal (409.2) | 262-263 | | | | |
| 54 | Income Taxes-Other (409.2) | 262-263 | | | | |
| 55 | Provision for Deferred Inc. Taxes (410.2) | 234, 272-277 | | | | |
| 56 | (Less) Provision for Deferred Income Taxes-Cr. (411.2) | 234, 272-277 | | | | |
| 57 | Investment Tax Credit Adj.-Net (411.5) | | | | | |
| 58 | (Less) Investment Tax Credits (420) | | | | | |
| 59 | TOTAL Taxes on Other Income and Deductions (Total of lines 52-58) | | 21,232 | 20,733 | 4,132 | 2,733 |
| 60 | Net Other Income and Deductions (Total of lines 41, 50, 59) | | 58,914,590 | 72,619,816 | 17,527,889 | 21,016,087 |
| 61 | Interest Charges | | | | | |
| 62 | Interest on Long-Term Debt (427) | | 27,395,269 | 26,388,251 | 9,148,737 | 9,223,999 |
| 63 | Amort. of Debt Disc. and Expense (428) | | 411,483 | 353,984 | 137,161 | 119,092 |
| 64 | Amortization of Loss on Reaquired Debt (428.1) | | | | | |
| 65 | (Less) Amort. of Premium on Debt-Credit (429) | | | | | |
| 66 | (Less) Amortization of Gain on Reaquired Debt-Credit (429.1) | | | | | |
| 67 | Interest on Debt to Assoc. Companies (430) | | | | | |
| 68 | Other Interest Expense (431) | | 2,336,956 | 941,396 | 897,707 | 315,670 |
| 69 | (Less) Allowance for Borrowed Funds Used During Construction-Cr. (432) | | 473,189 | 543,722 | 131,142 | 168,126 |
| 70 | Net Interest Charges (Total of lines 62 thru 69) | | 29,670,519 | 27,139,909 | 10,052,463 | 9,490,635 |
| 71 | Income Before Extraordinary Items (Total of lines 27, 60 and 70) | | 56,013,709 | 53,341,817 | 22,941,729 | 22,152,059 |
| 72 | Extraordinary Items | | | | | |
| 73 | Extraordinary Income (434) | | | | | |
| 74 | (Less) Extraordinary Deductions (435) | | | | | |
| 75 | Net Extraordinary Items (Total of line 73 less line 74) | | | | | |
| 76 | Income Taxes-Federal and Other (409.3) | 262-263 | | | | |
| 77 | Extraordinary Items After Taxes (line 75 less line 76) | | | | | |
| 78 | Net Income (Total of line 71 and 77) | | 56,013,709 | 53,341,817 | 22,941,729 | 22,152,059 |

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Green Mountain Power Corp | (1) [X] An Original<br>(2) [ ] A Resubmission | 09/30/2018 | End of 2018/Q3 |

## STATEMENT OF RETAINED EARNINGS

1. Do not report Lines 49-53 on the quarterly version.
2. Report all changes in appropriated retained earnings, unappropriated retained earnings, year to date, and unappropriated undistributed subsidiary earnings for the year.
3. Each credit and debit during the year should be identified as to the retained earnings account in which recorded (Accounts 433, 436 - 439 inclusive). Show the contra primary account affected in column (b)
4. State the purpose and amount of each reservation or appropriation of retained earnings.
5. List first account 439, Adjustments to Retained Earnings, reflecting adjustments to the opening balance of retained earnings. Follow by credit, then debit items in that order.
6. Show dividends for each class and series of capital stock.
7. Show separately the State and Federal income tax effect of items shown in account 439, Adjustments to Retained Earnings.
8. Explain in a footnote the basis for determining the amount reserved or appropriated. If such reservation or appropriation is to be recurrent, state the number and annual amounts to be reserved or appropriated as well as the totals eventually to be accumulated.
9. If any notes appearing in the report to stockholders are applicable to this statement, include them on pages 122-123.

| Line No. | Item (a) | Contra Primary Account Affected (b) | Current Quarter/Year Year to Date Balance (c) | Previous Quarter/Year Year to Date Balance (d) |
|---|---|---|---|---|
| | UNAPPROPRIATED RETAINED EARNINGS (Account 216) | | | |
| 1 | Balance-Beginning of Period | | 76,139,939 | 76,139,939 |
| 2 | Changes | | | |
| 3 | Adjustments to Retained Earnings (Account 439) | | | |
| 4 | | | | |
| 5 | | | | |
| 6 | | | | |
| 7 | | | | |
| 8 | | | | |
| 9 | TOTAL Credits to Retained Earnings (Acct. 439) | | | |
| 10 | | | | |
| 11 | | | | |
| 12 | | | | |
| 13 | | | | |
| 14 | | | | |
| 15 | TOTAL Debits to Retained Earnings (Acct. 439) | | | |
| 16 | Balance Transferred from Income (Account 433 less Account 418.1) | | 56,013,709 | 33,071,980 |
| 17 | Appropriations of Retained Earnings (Acct. 436) | | | |
| 18 | | | | |
| 19 | | | | |
| 20 | | | | |
| 21 | | | | |
| 22 | TOTAL Appropriations of Retained Earnings (Acct. 436) | | | |
| 23 | Dividends Declared-Preferred Stock (Account 437) | | | |
| 24 | | | | |
| 25 | | | | |
| 26 | | | | |
| 27 | | | | |
| 28 | | | | |
| 29 | TOTAL Dividends Declared-Preferred Stock (Acct. 437) | | | |
| 30 | Dividends Declared-Common Stock (Account 438) | | | |
| 31 | | | -30,738,000 | ( 20,492,000) |
| 32 | | | | |
| 33 | | | | |
| 34 | | | | |
| 35 | | | | |
| 36 | TOTAL Dividends Declared-Common Stock (Acct. 438) | | -30,738,000 | ( 20,492,000) |
| 37 | Transfers from Acct 216.1, Unapprop. Undistrib. Subsidiary Earnings | | -8,311,278 | ( 5,960,545) |
| 38 | Balance - End of Period (Total 1,9,15,16,22,29,36,37) | | 93,104,370 | 82,759,374 |
| | APPROPRIATED RETAINED EARNINGS (Account 215) | | | |

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Green Mountain Power Corp | (1) [X] An Original<br>(2) [ ] A Resubmission | 09/30/2018 | End of 2018/Q3 |

## STATEMENT OF RETAINED EARNINGS

1. Do not report Lines 49-53 on the quarterly version.
2. Report all changes in appropriated retained earnings, unappropriated retained earnings, year to date, and unappropriated undistributed subsidiary earnings for the year.
3. Each credit and debit during the year should be identified as to the retained earnings account in which recorded (Accounts 433, 436 - 439 inclusive). Show the contra primary account affected in column (b)
4. State the purpose and amount of each reservation or appropriation of retained earnings.
5. List first account 439, Adjustments to Retained Earnings, reflecting adjustments to the opening balance of retained earnings. Follow by credit, then debit items in that order.
6. Show dividends for each class and series of capital stock.
7. Show separately the State and Federal income tax effect of items shown in account 439, Adjustments to Retained Earnings.
8. Explain in a footnote the basis for determining the amount reserved or appropriated. If such reservation or appropriation is to be recurrent, state the number and annual amounts to be reserved or appropriated as well as the totals eventually to be accumulated.
9. If any notes appearing in the report to stockholders are applicable to this statement, include them on pages 122-123.

| Line No. | Item (a) | Contra Primary Account Affected (b) | Current Quarter/Year Year to Date Balance (c) | Previous Quarter/Year Year to Date Balance (d) |
|---|---|---|---|---|
| 39 | | | | |
| 40 | | | | |
| 41 | | | | |
| 42 | | | | |
| 43 | | | | |
| 44 | | | | |
| 45 | TOTAL Appropriated Retained Earnings (Account 215) | | | |
| | APPROP. RETAINED EARNINGS - AMORT. Reserve, Federal (Account 215.1) | | | |
| 46 | TOTAL Approp. Retained Earnings-Amort. Reserve, Federal (Acct. 215.1) | | 787,418 | 787,418 |
| 47 | TOTAL Approp. Retained Earnings (Acct. 215, 215.1) (Total 45,46) | | 787,418 | 787,418 |
| 48 | TOTAL Retained Earnings (Acct. 215, 215.1, 216) (Total 38, 47) (216.1) | | 93,891,788 | 83,546,792 |
| | UNAPPROPRIATED UNDISTRIBUTED SUBSIDIARY EARNINGS (Account | | | |
| | Report only on an Annual Basis, no Quarterly | | | |
| 49 | Balance-Beginning of Year (Debit or Credit) | | | |
| 50 | Equity in Earnings for Year (Credit) (Account 418.1) | | | |
| 51 | (Less) Dividends Received (Debit) | | | |
| 52 | | | | |
| 53 | Balance-End of Year (Total lines 49 thru 52) | | | |

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Green Mountain Power Corp | (1) [X] An Original<br>(2) [ ] A Resubmission | 09/30/2018 | End of 2018/Q3 |

## STATEMENT OF CASH FLOWS

(1) Codes to be used:(a) Net Proceeds or Payments;(b)Bonds, debentures and other long-term debt; (c) Include commercial paper; and (d) Identify separately such items as investments, fixed assets, intangibles, etc.
(2) Information about noncash investing and financing activities must be provided in the Notes to the Financial statements. Also provide a reconciliation between "Cash and Cash Equivalents at End of Period" with related amounts on the Balance Sheet.
(3) Operating Activities - Other: Include gains and losses pertaining to operating activities only. Gains and losses pertaining to investing and financing activities should be reported in those activities. Show in the Notes to the Financials the amounts of interest paid (net of amount capitalized) and income taxes paid.
(4) Investing Activities: Include at Other (line 31) net cash outflow to acquire other companies. Provide a reconciliation of assets acquired with liabilities assumed in the Notes to the Financial Statements. Do not include on this statement the dollar amount of leases capitalized per the USofA General Instruction 20; instead provide a reconciliation of the dollar amount of leases capitalized with the plant cost.

| Line No. | Description (See Instruction No. 1 for Explanation of Codes)<br>(a) | Current Year to Date Quarter/Year<br>(b) | Previous Year to Date Quarter/Year<br>(c) |
|---|---|---|---|
| 1 | Net Cash Flow from Operating Activities: | | |
| 2 | Net Income (Line 78(c) on page 117) | 56,013,709 | 33,071,980 |
| 3 | Noncash Charges (Credits) to Income: | | |
| 4 | Depreciation and Depletion | 40,737,528 | 27,210,659 |
| 5 | Amortization of | 3,503,043 | 1,802,574 |
| 6 | Other Non-Cash Items | 1,295,085 | 332,850 |
| 7 | | | |
| 8 | Deferred Income Taxes (Net) | 18,551,632 | 11,806,181 |
| 9 | Investment Tax Credit Adjustment (Net) | -104,605 | -69,737 |
| 10 | Net (Increase) Decrease in Receivables | 1,392,564 | 6,211,607 |
| 11 | Net (Increase) Decrease in Inventory | -1,188,233 | -1,285,790 |
| 12 | Net (Increase) Decrease in Allowances Inventory | | |
| 13 | Net Increase (Decrease) in Payables and Accrued Expenses | -306,349 | -13,450,597 |
| 14 | Net (Increase) Decrease in Other Regulatory Assets | -10,712,866 | -9,535,604 |
| 15 | Net Increase (Decrease) in Other Regulatory Liabilities | | |
| 16 | (Less) Allowance for Other Funds Used During Construction | 831,787 | 601,107 |
| 17 | (Less) Undistributed Earnings from Subsidiary Companies | 1,369,820 | -1,171,838 |
| 18 | Other (provide details in footnote): | | |
| 19 | Other Assets | 2,173,205 | 7,798,071 |
| 20 | Other Liabilities | 294,721 | -1,711,388 |
| 21 | (Gain)/Loss on Dispoal of Assets | 14,150 | |
| 22 | Net Cash Provided by (Used in) Operating Activities (Total 2 thru 21) | 109,461,977 | 62,751,537 |
| 23 | | | |
| 24 | Cash Flows from Investment Activities: | | |
| 25 | Construction and Acquisition of Plant (including land): | | |
| 26 | Gross Additions to Utility Plant (less nuclear fuel) | -63,224,198 | -42,565,035 |
| 27 | Gross Additions to Nuclear Fuel | -333,402 | -320,887 |
| 28 | Gross Additions to Common Utility Plant | | |
| 29 | Gross Additions to Nonutility Plant | | 960,039 |
| 30 | (Less) Allowance for Other Funds Used During Construction | -831,787 | -601,107 |
| 31 | Other (provide details in footnote): | | |
| 32 | | | |
| 33 | All Other | -997,022 | -941,088 |
| 34 | Cash Outflows for Plant (Total of lines 26 thru 33) | -63,722,835 | -42,265,864 |
| 35 | | | |
| 36 | Acquisition of Other Noncurrent Assets (d) | | |
| 37 | Proceeds from Disposal of Noncurrent Assets (d) | 42,763 | |
| 38 | | | |
| 39 | Investments in and Advances to Assoc. and Subsidiary Companies | | -147,484 |
| 40 | Contributions and Advances from Assoc. and Subsidiary Companies | | |
| 41 | Disposition of Investments in (and Advances to) | | |
| 42 | Associated and Subsidiary Companies | | |
| 43 | | | |
| 44 | Purchase of Investment Securities (a) | -1,601,198 | -1,190,839 |
| 45 | Proceeds from Sales of Investment Securities (a) | 1,440,608 | -161,643 |
| | | | |

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Green Mountain Power Corp | (1) [X] An Original<br>(2) [ ] A Resubmission | 09/30/2018 | End of 2018/Q3 |

## STATEMENT OF CASH FLOWS

(1) Codes to be used:(a) Net Proceeds or Payments;(b)Bonds, debentures and other long-term debt; (c) Include commercial paper; and (d) Identify separately such items as investments, fixed assets, intangibles, etc.
(2) Information about noncash investing and financing activities must be provided in the Notes to the Financial statements. Also provide a reconciliation between "Cash and Cash Equivalents at End of Period" with related amounts on the Balance Sheet.
(3) Operating Activities - Other: Include gains and losses pertaining to operating activities only. Gains and losses pertaining to investing and financing activities should be reported in those activities. Show in the Notes to the Financials the amounts of interest paid (net of amount capitalized) and income taxes paid.
(4) Investing Activities: Include at Other (line 31) net cash outflow to acquire other companies. Provide a reconciliation of assets acquired with liabilities assumed in the Notes to the Financial Statements. Do not include on this statement the dollar amount of leases capitalized per the USofA General Instruction 20; instead provide a reconciliation of the dollar amount of leases capitalized with the plant cost.

| Line No. | Description (See Instruction No. 1 for Explanation of Codes) (a) | Current Year to Date Quarter/Year (b) | Previous Year to Date Quarter/Year (c) |
|---|---|---|---|
| 46 | Loans Made or Purchased | | |
| 47 | Collections on Loans | | |
| 48 | | | |
| 49 | Net (Increase) Decrease in Receivables | | |
| 50 | Net (Increase ) Decrease in Inventory | | |
| 51 | Net (Increase) Decrease in Allowances Held for Speculation | | |
| 52 | Net Increase (Decrease) in Payables and Accrued Expenses | | |
| 53 | Other (provide details in footnote): | | |
| 54 | | | |
| 55 | | | |
| 56 | Net Cash Provided by (Used in) Investing Activities | | |
| 57 | Total of lines 34 thru 55) | -63,840,662 | -43,765,830 |
| 58 | | | |
| 59 | Cash Flows from Financing Activities: | | |
| 60 | Proceeds from Issuance of: | | |
| 61 | Long-Term Debt (b) | 25,000,000 | |
| 62 | Preferred Stock | | |
| 63 | Common Stock | | |
| 64 | Other (provide details in footnote): | | |
| 65 | | | |
| 66 | Net Increase in Short-Term Debt (c) | -25,000,000 | |
| 67 | Other (provide details in footnote): | | |
| 68 | Borrowings on Revolving Line of Credit | 444,474,916 | 241,678,916 |
| 69 | Repayments on Revolving Line of Credit | -459,032,838 | -241,340,214 |
| 70 | Cash Provided by Outside Sources (Total 61 thru 69) | -14,557,922 | 338,702 |
| 71 | | | |
| 72 | Payments for Retirement of: | | |
| 73 | Long-term Debt (b) | -1,280,000 | -1,280,000 |
| 74 | Preferred Stock | | |
| 75 | Common Stock | | |
| 76 | Other (provide details in footnote): Capital Lease Obligation | -303,962 | -202,641 |
| 77 | Debt Issuance Costs | -270,293 | -20,147 |
| 78 | Net Decrease in Short-Term Debt (c) | | |
| 79 | | | |
| 80 | Dividends on Preferred Stock | | |
| 81 | Dividends on Common Stock | -30,738,000 | -20,492,000 |
| 82 | Net Cash Provided by (Used in) Financing Activities | | |
| 83 | (Total of lines 70 thru 81) | -47,150,177 | -21,656,086 |
| 84 | | | |
| 85 | Net Increase (Decrease) in Cash and Cash Equivalents | | |
| 86 | (Total of lines 22,57 and 83) | -1,528,862 | -2,670,379 |
| 87 | | | |
| 88 | Cash and Cash Equivalents at Beginning of Period | 5,505,895 | 5,505,895 |
| 89 | | | |
| 90 | Cash and Cash Equivalents at End of period | 3,977,033 | 2,835,516 |
| | | | |

| Name of Respondent | This Report is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Green Mountain Power Corp | (1) X An Original<br>(2) _ A Resubmission | 09/30/2018 | 2018/Q3 |

FOOTNOTE DATA

***Schedule Page: 120 Line No.: 90 Column: b***

Cash Balance Reconciliation

| | |
|---|---|
| Account 131 | 3,967,514 |
| Account 134 | 9,519 |
| Account 135 | 0 |
| | --------- |
| Total Cash and Cash Equivalents | 3,977,033 |
| | ========= |

| Name of Respondent | This Report Is: | Date of Report | Year/Period of Report |
|---|---|---|---|
| Green Mountain Power Corp | (1) [X] An Original<br>(2) [ ] A Resubmission | 09/30/2018 | End of 2018/Q3 |

## NOTES TO FINANCIAL STATEMENTS

1. Use the space below for important notes regarding the Balance Sheet, Statement of Income for the year, Statement of Retained Earnings for the year, and Statement of Cash Flows, or any account thereof. Classify the notes according to each basic statement, providing a subheading for each statement except where a note is applicable to more than one statement.
2. Furnish particulars (details) as to any significant contingent assets or liabilities existing at end of year, including a brief explanation of any action initiated by the Internal Revenue Service involving possible assessment of additional income taxes of material amount, or of a claim for refund of income taxes of a material amount initiated by the utility. Give also a brief explanation of any dividends in arrears on cumulative preferred stock.
3. For Account 116, Utility Plant Adjustments, explain the origin of such amount, debits and credits during the year, and plan of disposition contemplated, giving references to Cormmission orders or other authorizations respecting classification of amounts as plant adjustments and requirements as to disposition thereof.
4. Where Accounts 189, Unamortized Loss on Reacquired Debt, and 257, Unamortized Gain on Reacquired Debt, are not used, give an explanation, providing the rate treatment given these items. See General Instruction 17 of the Uniform System of Accounts.
5. Give a concise explanation of any retained earnings restrictions and state the amount of retained earnings affected by such restrictions.
6. If the notes to financial statements relating to the respondent company appearing in the annual report to the stockholders are applicable and furnish the data required by instructions above and on pages 114-121, such notes may be included herein.
7. For the 3Q disclosures, respondent must provide in the notes sufficient disclosures so as to make the interim information not misleading. Disclosures which would substantially duplicate the disclosures contained in the most recent FERC Annual Report may be omitted.
8. For the 3Q disclosures, the disclosures shall be provided where events subsequent to the end of the most recent year have occurred which have a material effect on the respondent. Respondent must include in the notes significant changes since the most recently completed year in such items as: accounting principles and practices; estimates inherent in the preparation of the financial statements; status of long-term contracts; capitalization including significant new borrowings or modifications of existing financing agreements; and changes resulting from business combinations or dispositions. However were material contingencies exist, the disclosure of such matters shall be provided even though a significant change since year end may not have occurred.
9. Finally, if the notes to the financial statements relating to the respondent appearing in the annual report to the stockholders are applicable and furnish the data required by the above instructions, such notes may be included herein.

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SEE PAGE 123 FOR REQUIRED INFORMATION.

The notes below are excerpts from the Company's GAAP basis consolidated financial statements as of and for the years ended September 30, 2018 and 2017. The following disclosures contain information in accordance with GAAP reporting requirements. As such, due to differences between FERC and GAAP reporting requirements, certain disclosures may not agree to balances in the FERC financial statements. In particular, the activity related to Vermont Yankee Nuclear Power Corporation may be presented in the GAAP notes, but has been eliminated in accordance with FERC reporting instructions.

## (1) Nature of Operations

Green Mountain Power Corporation (the Company or GMP), a wholly owned subsidiary of Northern New England Energy Corporation (NNEEC), operates as an electric utility that purchases, generates, transmits, distributes, and sells electricity, and utility construction services, in Vermont to approximately 265,600 customer accounts. On June 27, 2012, NNEEC acquired Central Vermont Public Service Corporation (CVPS). CVPS was then merged with and into GMP effective October 1, 2012.

The Company's primary revenues are generated from sales of its regulated electric utility operation. The Company is regulated by the Vermont Public Utility Commission (VPUC) and uses the Uniform System of Accounts established by the Federal Energy Regulatory Commission (FERC).

The Company's wholly owned subsidiaries include:

- **Vermont Yankee Nuclear Power Corporation (VYNPC)**: VYNPC was formed on August 4, 1966 to construct and operate a nuclear-powered electric generating plant (the Plant). The Plant was sold to Entergy Nuclear Vermont Yankee, LLC (Entergy) on July 31, 2002. As part of the sale, VYNPC was required to purchase from Entergy the entire facility product (energy, capacity and other facility product) available from the Plant at the time of the sale through March 21, 2012. The Plant was shut down on December 29, 2014. VYNPC recognizes revenue pursuant to the terms of its FERC filed rate schedule. The Sponsors, a group of seven New England utilities, are severally obligated to pay VYNPC their entitlement percentage of amounts equal to VYNPC's cost of service including total operating expenses and an allowed return on equity (ROE) (7.5% since July 31, 2002). The Company's entitlement share is 55%. See note 16(h). VYNPC is subject to regulation by the FERC and the VPUC with respect to rates, accounting and other matters.

## (2) Summary of Significant Accounting Policies

### *(a) Principles of Consolidation and Presentation*

The accompanying consolidated financial statements of the Company include the accounts of wholly owned subsidiaries as well as those of variable interest entities (VIEs) for which the Company is the primary beneficiary. Noncontrolling interests represent the proportionate equity interest of owners in the Company's consolidated entities that are not wholly owned. See note 22. All significant intercompany transactions with consolidated affiliates have been eliminated upon consolidation.

The Company accounts for its investments in Vermont Electric Power Company, Inc. (VELCO), Vermont Transco LLC (Transco), Green Lantern Capital Solar Fund II, LP (GLC), New England Hydro-Transmission Corporation, New England Hydro-Transmission Electric Company, Connecticut Yankee Atomic Power Company (Connecticut Yankee), Maine Yankee Atomic Power Company (Maine Yankee) and Yankee Atomic Electric Company (Yankee Atomic) using the equity method of accounting. The Company's share of the net earnings or losses of these companies is included in equity in earnings of associated companies on the consolidated statements of income.

The Company's interests in jointly owned generating and transmission facilities are accounted for on a pro rata basis using the Company's ownership percentages and are recorded in the Company's consolidated balance sheets within utility plant in service. The Company's share of operating expenses for these facilities is included in the corresponding operating accounts in the consolidated statements of income.

GMP uses the hypothetical liquidation at book value (HLBV) method to account for its interest in the subsidiary GMP VT Solar LLC (GMP Solar), which is held in partnership with an investor. This method is being used because GMP Solar is a limited liability company and the agreement between its two partners states that liquidation rights and distribution priorities do not correspond to the percentage ownership interests. For interests accounted for under the HLBV method, using ownership percentage to allocate the investee's net income to the partners fails to reflect the economic benefits that each partner will receive outside the structure. The HLBV method is a balance sheet method that considers the amount that each partner would receive or pay if GMP Solar liquidated all assets and settled all liabilities at book value and distributed the liquidation proceeds to the partners based on the priorities set out in the agreement. This method also takes into account the tax considerations created for each partner.

The preparation of consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenues and expenses during the reporting period. The Company believes it has taken reasonable positions where assumptions and estimates are used. In management's opinion, the areas of the Company where the most significant judgment is exercised is in the valuation of unbilled revenue, pension and postretirement plan assumptions, contingency reserves, asset retirement obligations, regulatory assets and liabilities, the allowance for uncollectible accounts receivable, the valuation of utility plant, income tax uncertainties, deferred tax assets and derivative financial instruments. Actual results could differ from those estimates.

The Company considers events or transactions that occur after the balance sheet date, but before the consolidated financial statements are available to be issued, to provide additional evidence relative to certain estimates or to identify matters that require additional disclosure. These consolidated financial statements were available to be issued on November 16, 2018 and subsequent events have been evaluated through that date.

***(b) Regulatory Accounting***

The Company's utility operations, including accounting records, rates, operations, and certain other practices, are subject to the regulatory authority of the FERC and the VPUC.

The Company accounts for certain transactions in accordance with permitted regulatory treatment. As such, regulators may permit specific incurred costs, typically treated as expenses by unregulated entities, to be deferred and expensed in future periods when it is probable that such costs will be recovered in customer rates. Incurred costs are deferred as regulatory assets when the Company concludes that it is probable that future revenues will be provided to permit recovery of the previously incurred cost. The Company analyzes evidence supporting deferral, including provisions for recovery in regulatory orders, past regulatory precedent, other regulatory correspondence, and legal representations. A regulatory liability is recorded when amounts that have been recorded by the Company are likely to be refunded to customers through the rate-setting process. Regulatory assets and liabilities also include changes in fair value relative to derivative financial instruments that cannot be considered as income or expense for rate-making purposes until the derivative financial instrument settles.

***(c) Cash and Cash Equivalents***

The Company considers all highly liquid investments with original maturities of three months or less to be cash equivalents. Cash that is restricted for outstanding workers' compensation claims amounted to $5 at September 30, 2018 and 2017, and is included in cash and cash equivalents in the consolidated balance sheets. Included in cash are deposits, subject to the Company's exclusive control, provided as collateral under performance assurance requirements for certain power supply contracts amounting to $5 and $2,505 at September 30, 2018 and 2017, respectively.

Net book overdrafts, determined on a financial institution-specific basis, are reclassified from cash to other current liabilities in the consolidated balance sheets. Amounts reclassified as of September 30, 2018 and 2017 were $3,348 and $0, respectively. The Company has classified this activity on the consolidated statements of cash flows in net cash provided by operating activities.

### *(d) Revenue Recognition, Accounts Receivable, and Deferred Regulatory Revenue*

Operating revenues consist principally of retail sales of electricity at regulated rates. Revenue is recognized when electricity is delivered. The Company accrues utility revenues based on estimates of electric service rendered and not billed at the end of an accounting period. The unbilled revenues, which totaled $22,083 and $21,054 at September 30, 2018 and 2017, respectively, are included in trade accounts receivable in the consolidated balance sheets. Wholesale revenues represent sales of electricity to other utilities, typically for resale, and to ISO New England for amounts by which the Company's power supply resources exceed customer loads. Revenues in excess of allowed costs or earnings in excess of earnings allowed under applicable rate plans or regulatory orders are deferred, if and when applicable. See note 3. Sales taxes collected from commercial customers are accounted for as a liability until remitted to the government and are excluded from operating revenues in the consolidated statements of income.

The Company estimates the amount of accounts receivable that will not be collected and records an allowance for estimated uncollectible amounts based upon historical experience. Charge-offs against the allowance are considered after reviewing the facts of each individual account.

### *(e) Inventories*

The Company's inventory of generation fuel is accounted for on a first in, first out basis; materials and supplies are recorded at cost and determined on a weighted average basis. Renewable energy certificates (RECs) are recorded at cost. The Company's inventories consist of the following:

| | | September 30 | |
|---|---|---|---|
| | | 2018 | 2017 |
| Fuel | $ | 4,709 | 5,672 |
| Materials and supplies | | 19,796 | 18,456 |
| RECs | | 6,980 | 4,841 |
| Total inventory | $ | 31,485 | 28,969 |

The Company generates and purchases RECs in the normal course of business, and sells these RECs in order to reduce net power costs for GMP's retail customers and retires RECs to meet regulatory mandates (see note 16i). REC revenue and costs are reflected in retail rates. The Company accounts for purchased RECs using the inventory method. RECs are recorded to inventory at their acquisition cost. When RECs are sold or retired the RECs are removed from inventory at cost. The Company's self-generated RECs have an inventory carrying cost of zero.

During the years ended September 30, 2018 and 2017, net REC revenue was $21,735 and $17,032, respectively.

### *(f) Utility Plant and Long-Lived Assets*

Utility plant is stated at cost. Major expenditures for plant additions are recorded at original cost and include all construction-related direct labor and materials, as well as indirect construction costs. The costs of replacements and improvements of significant property units are capitalized. The costs of maintenance, repairs, and replacements of minor property units are charged to maintenance expense. The costs of units of property removed from service, net of salvage value, are charged to accumulated depreciation.

Depreciation expense is recognized on a straight-line basis based on depreciation rates adopted as a result of depreciation studies approved by the VPUC. The Company amortizes its intangible assets using the straight-line method based on the cost and amortization period approved by the VPUC.

### *(g) Long-Term Investments*

At September 30, 2018 and 2017, investment securities included in the VYNPC Spent Fuel Disposal Trust, the VYNPC Rabbi Trust, and the Millstone Decommissioning Trust consist primarily of debt and equity securities and are classified as available-for-sale. Available-for-sale securities are reflected on the consolidated balance sheets at their aggregate fair values. Dividend and interest income are recognized when earned in the VYNPC trusts, and are recorded as a regulatory liability for the Millstone Decommissioning Trust.

A decline in the market value of any available-for-sale security below amortized cost basis that is deemed to be other-than-temporary results in an impairment to reduce the carrying amount to fair value. To determine whether an impairment of a security is other-than-temporary, the Company considers whether evidence indicating the amortized cost of the investment is recoverable outweighs evidence to the contrary. Evidence considered in this assessment includes the reasons for the impairment, the severity and duration of the impairment, changes in value subsequent to year-end, forecasted performance of the investee, and the general market condition in the geographic area or industry the investee operates in.

The Company's assessment of the fair market value of its long-term investments is performed by fixed income investment professionals utilizing relevant performance indicators of the underlying assets in the security (including default rates, delinquency rates, and percentage of nonperforming assets, loan to collateral value ratios, third party guarantees, and current levels of subordination).

When a security impairment is considered an other-than-temporary impairment (OTTI) the amount of OTTI recognized in earnings depends on if the Company intends to sell the security, it is more likely than not the Company will be required to sell the security before recovery of its amortized cost basis or the Company does not expect to recover the entire amortized cost basis. If the Company intends to sell the security or will be required to sell the security before recovery of its amortized cost, the OTTI recognized in earnings is equal to the entire difference between the security's amortized cost and its fair value at the balance sheet date. If the Company does not intend to sell the security and it is not more likely than not that the Company will be required to sell the security before recovery of its amortized cost basis less any current-period credit loss, the OTTI is separated into the amount representing the credit loss and the amount related to all other factors. The amount of the total OTTI related to the credit loss is recognized in earnings and the portion of the loss related to other factors is recognized in other comprehensive income (OCI). The credit loss component recognized in earnings is identified as the amount of principal cash flows not expected to be received over the remaining term of the security as projected using the Company's cash flow projections using its base assumptions.

For the years ended September 30, 2018 and 2017, there were no permanent impairments or credit losses associated with investment securities.

*Millstone Decommissioning Trust Fund*: All dividend and interest income and realized and unrealized gains and losses are recorded to a regulatory liability since the fair value of the Millstone Decommissioning Trust Fund exceeds the related asset retirement obligation. For the majority of the investments, GMP owns a share of the trust fund investments.

*VYNPC Spent Fuel Disposal Trust Fund*: Realized gains and losses on the sale of securities are recognized at the time of sale and dividend and interest income are recognized when earned. Unrealized gains (losses) on investments, generally recorded in accumulated other comprehensive income in stockholder's equity under GAAP, are recorded as regulatory assets or liabilities in the Company's balance sheets because the Company is a cost-of-service rate regulated entity and such amounts have been and continue to be recoverable or creditable in rates when realized, through its contracts with Sponsors.

### *(h) Impairment of Long-Lived Assets*

The Company performs an evaluation of long-lived assets, including utility plant, regulatory assets subject to amortization, and other long-lived assets, for potential impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. If the carrying value of the long-lived asset is not recoverable based on undiscounted cash flows expected to be generated by the asset, an impairment charge is recognized to the extent that the carrying value exceeds its fair value, with fair value being determined based upon discounted cash flow models. Regulatory assets are charged to expense in the period in which they are no longer probable of future recovery. As of September 30, 2018 and 2017, based upon management's analysis of the regulatory environment within which the Company currently operates, the Company does not believe that an impairment loss for long-lived assets should be recorded.

***(i) Environmental Liabilities***

The Company is subject to federal, state, and local regulations addressing air and water quality, hazardous and solid waste management and other environmental matters. Only those site investigation, characterization, and remediation costs currently known and determinable are considered probable and reasonably estimable. As costs become probable and reasonably estimable, reserves are adjusted as appropriate. As reserves are recorded, regulatory assets are recorded to the extent environmental expenditures will be recovered in future rates. Estimates are based on studies performed by third parties.

***(j) Derivative Financial Instruments***

There are three different ways to account for derivative instruments: (i) as an accrual agreement, if the criteria for the normal purchase normal sale exception are met and documented; (ii) as a cash flow or fair value hedge, if the specified criteria are met and documented, or (iii) as a mark to market agreement with changes in fair value recognized in current period earnings. All derivative instruments that do not qualify for the normal purchase normal sale exception are recorded at fair value in derivative financial instrument assets and liabilities on the consolidated balance sheets.

Gains or losses resulting from changes in the fair values of derivatives are accounted for pursuant to a regulatory accounting order issued by the VPUC as discussed below. The Company uses derivative instruments primarily to hedge the cash flow effects of price fluctuations in its power supply costs. The Company is exposed to credit loss in the event of nonperformance by the other parties to the hedge agreements. The credit risk related to the hedge agreements is limited to the cost to the Company to replace the aforementioned hedge arrangements with like instruments. The Company monitors the credit standing of the counterparties and anticipates that the counterparties will be able to fully satisfy their obligations under the hedge agreements.

On April 11, 2001, the VPUC issued an accounting order that requires the Company to defer recognition of any earnings or other comprehensive income effects relating to future periods caused by changes in the fair value of power supply arrangements that qualify as derivatives. Any changes in the fair value of the derivative financial instrument are recorded as a regulatory asset or liability, as appropriate. As these derivative contracts are settled, the Company records as power supply costs or wholesale revenues, as appropriate. There is no realized gain and loss impact to earnings since all power supply costs and wholesale revenues are included in the PSA.

***(k) Taxes Other than Income***

Taxes other than income consist primarily of various property taxes, Vermont gross receipts taxes and certain employer payroll tax expenses. The Company recognizes the taxes in the period incurred.

***(l) Income Taxes***

Income taxes are accounted for under the asset and liability method. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on regulated business deferred tax assets and liabilities of a change in tax rates is recorded in a regulatory liability and recognized in income in periods when the regulatory liability is amortized or otherwise reversed. The effect on nonregulated business deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date.

Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that some portion or all of the deferred tax assets will not be realized. Investment tax credits (ITCs) are recorded as a liability and amortized as a tax expense benefit over the lives of the relevant assets.

The Company recognizes the effect of uncertain income tax positions only if those positions are more likely than not of being sustained. When recognized, income tax positions are measured and recorded at the largest amount that is greater than 50% likely of being realized. Changes in recognition or measurement are reflected in the period in which the change in judgment occurs. The Company records interest expense related to unrecognized tax benefits in interest expense and penalties in other income, net in the consolidated statements of income.

The Company files a consolidated tax return with its Parent, NNEEC. NNEEC pays all federal and most state income taxes on behalf of the Company. The Company has a tax-sharing agreement with NNEEC to pay an amount equal to the tax that would be paid if the Company filed tax returns on a separate return basis. There was $197 and $210 in income taxes payable to NNEEC under the tax-sharing agreement at September 30, 2018 and 2017, respectively.

***(m) Pension and Other Postretirement Benefit Plans***

The Company has defined benefit pension plans covering certain of its employees. The benefits are based on years of service and the employee's compensation during the five years before retirement. GMP also sponsors defined benefit postretirement health care and life insurance plans for retired employees and their dependents. Effective January 1, 2008, for GMP and April 1, 2010 for former CVPS, newly hired employees are not eligible to participate in the Company's defined benefit pension plans, but instead qualify for an enhanced 401(k) benefit.

The Company records annual amounts relating to its pension and postretirement plans based on calculations that incorporate various actuarial and other assumptions, including discount rates, mortality, assumed rates of return, compensation increases, turnover rates, and healthcare cost trend rates. The Company reviews its assumptions on an annual basis and makes modifications to the assumptions based on current rates and trends. The effect of modifications to those assumptions is recorded as a regulatory asset or regulatory liability, as appropriate. The Company believes that the assumptions utilized in recording its obligations under its plans are reasonable based on its experience and market conditions.

The net periodic costs are recognized as employees render the services necessary to earn the postretirement benefits. GMP's methodology for estimating the service cost and interest cost components of their pension and postretirement plans applies specific spot rates along the yield curve to the projected cash flows in order to estimate the service cost and interest cost for each plan. Unamortized amounts that are expected to be recovered from or returned to ratepayers in future years are recorded as a regulatory asset or regulatory liability, respectively. See notes 3 and 13.

***(n) Contingencies***

Liabilities for loss contingencies arising from items such as claims, assessments, litigation, fines and penalties are recorded when it is probable that a liability has been incurred and the amount can be reasonably estimated.

***(o) Fair Value***

The Company utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible. The Company determines fair value based on assumptions that market participants would use in pricing an asset or liability in the principal or most advantageous market. When considering market participant assumptions in fair value measurements, the following fair value hierarchy distinguishes between observable and unobservable inputs, which are categorized in one of the following levels:

- Level 1 Inputs: Unadjusted quoted prices in active markets for identical assets or liabilities accessible to the reporting entity at the measurement date.
- Level 2 Inputs: Other than quoted prices included in Level 1 inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the asset or liability.
- Level 3 Inputs: Unobservable inputs for the asset or liability used to measure fair value to the extent that observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date.

The level in the fair value hierarchy within which a fair value measurement in its entirety falls is based on the lowest level input that is available for that particular financial instrument. The values of publicly traded fixed income and equity securities are based on quoted market prices and exchange rates. Nonmarketable securities include alternative investments in hedge, private equity, and other similar funds, and are valued using current estimates of fair value in the absence of readily determinable market values. The fair values are determined by management based on information provided by the investment manager and are based on appraisals or other estimates that require varying degrees of judgment, which takes into consideration, among other things, the cost of the securities, prices of recent significant placements of securities of the same issuer, and subsequent developments concerning the companies to which the securities relate.

The estimated fair value of alternative investments represents the ownership interest in the net asset value (NAV) of the respective partnership. The Company utilizes the NAV reported by the fund managers, which is based on appraisals or other estimates that require varying degrees of judgment, as a practical expedient to estimate fair value of alternative investments that (a) do not have a readily determinable fair value and (b) either have the attributes of an investment company or prepare their financial statements consistent with the measurement principles of an investment company, unless it is probable that all or a portion of the investment will be sold for an amount different from NAV. All investments for which NAV is used to measure fair value are not required to be categorized within the fair value hierarchy.

The Company's financial instruments consist primarily of cash and cash equivalents, accounts receivable, prepaid expenses and other current assets, income taxes receivable (payable), accounts payable, accrued liabilities, short-term debt, long-term debt, the spent fuel disposal fee and accrued interest obligation, the Millstone and Spent Fuel Decommissioning and Rabbi Trust Funds, and pension assets.

### (3) Rate Regulation and Regulatory Assets and Liabilities

#### *(a) Rate Regulation*

In August 2014, the VPUC approved a Successor Alternative Regulation Plan for the Company (Plan) effective October 1, 2014 through September 30, 2017.

The Plan contains the principal elements described below:

- A power supply cost adjustment mechanism (PSA) under which the Company recovers or credits to customers 90% of energy costs that are $307 (PSA Energy Cost Dead Band) per quarter higher or lower than energy costs included in rates and the full amount of transmission and capacity costs higher or lower than included in rates. The quarterly PSA over and under collections for each 12-month period ending March 31 are accumulated and the net over/under collection is recovered from or returned to customers at the time of the next annual base rate filing adjustment.
- The allowed ROE under the Plan adjusts annually, up or down, at the rate of one-half of the change in the average 10-year Treasury Note rate, over a specified 20-day trading period.
- An annual earnings sharing mechanism (ESAM) under which the Company has the opportunity to earn up to

35 basis points above its allowed ROE, return 100% of earnings in excess of 35 basis points above the allowed ROE, recover 50% of any earnings shortfall between 50 basis points and 200 basis points below the allowed ROE and 100% of any earnings short fall in excess of 200 basis points below the allowed ROE. Under the Plan, certain exclusions, commonly made in setting rates, are applied to determine the Company's earnings and are expected to reduce the Company's ability to earn its allowed rate of return on equity for core utility operations. The ESAM will be recovered from or returned to customers the following base rate year.

- Base rates are adjusted annually, based on the Company's cost of service.
- The VPUC retains the authority to investigate the Company's rates at any time and to modify or terminate the Plan.
- Nonpower supply cost increases are capped at the amount currently allowed in rates, increased by inflation less a productivity factor of 1%, increased by a capital spending adjustment, adjusted for exogenous changes (if any) and further adjusted for any change in ROE. For 2017, the formula that calculates the nonpower supply cost cap was higher than the requested rate increase; therefore, there was no resulting disallowance. The productivity factor is subject to an incentive adjustment based on the Company's benchmarked performance against 20 other utility companies.
- Collect from or return to customers material cost and revenue changes (Exogenous Change Adjustment) due to exogenous events. Exogenous events consist of major storm costs (Exogenous Storm) in excess of $1,200 per measurement period and cost or revenue changes (Exogenous NonStorm) in excess of $1,200 per measurement period due to changes in tax laws, regulations and loss of major customer, major maintenance costs and investments not related to weather. The measurement year is the 12-month period ending March 31 and the $1,200 Exogenous Storm and NonStorm thresholds are adjusted annually by inflation. There is an Exogenous Storm $1,200 deductible, adjusted annually for inflation, per measurement period. The Exogenous Change Adjustment will be collected from or returned to customers as part of the base rate adjustment in the next base rate year, unless the Vermont Department of Public Service (Department) and Company agree to a longer recovery period.
- Set rates for the Company's largest customer from October 1, 2014 to September 30, 2017.

On March 15, 2017, the VPUC approved a three month extension to December 31, 2017 of the PSA and Exogenous Change Adjustment provisions of the Plan.

On November 29, 2017, the VPUC approved the continuation of the PSA and Exogenous Change Adjustments through December 31, 2018 and on May 24, 2018, the VPUC approved their continuation through the approval of a successor regulation plan or by one year, until December 31, 2019, whichever occurs first.

As a condition of the VPUC's approval of the CVPS acquisition, the Company has agreed to a plan for sharing merger synergies with the following material elements:

- The Company is obligated to provide customers at least $144,000 (nominal dollars) in customer savings over 10 years: 2013 through 2022. Savings will be measured by comparing actual operating and maintenance (O&M) costs with the O&M Platform included in rates.
- In years 2013 through 2015, customer savings are fixed in the amounts of $2,500, $5,000 and $8,000, respectively.
- In 2016 through 2020, customers and the Company share synergy savings on a 50/50 basis.
- In 2021 through 2022, all synergy savings will be credited to customers.
- If total measured savings to customers are less than $144,000 after 2022, the Company shall provide the difference to retail customers by means of a Savings Guarantee Plan approved by the VPUC.

The Company has not recognized this obligation in its consolidated financial statements since it expects that the total measured savings to customers will be achieved as described above.

In September 2016, the VPUC approved a 0.93% rate increase consisting of a 0.03% base rate decrease and a 0.96% power adjustor increase effective October 1, 2016. The allowed ROE was 9.02%.

In December 2017, the VPUC approved a 5.37% increase in base rates effective January 3, 2018. The allowed ROE was 9.1%.

On April 13, 2018, the Company filed a traditional cost of service (2019 Rate Filing) with the VPUC requesting a $25.1 million or 5.45% increase in base rates and a 9.3% ROE. The rate period for the 2019 Rate Filing is January 1, 2019 to September 30, 2019. As part of the 2019 Rate Filing, GMP also proposed to return during this rate period in the form of bill credits $27.4 million of corporate tax reform benefits. The net impact to customers is a rate period bill decrease of $2.3 million, so customers will see a 0.5% decrease overall during this rate period. The 2019 Rate Filing is subject to regulatory review and approval. A VPUC decision is expected in December 2018.

On June 4, 2018, Company filed a proposed Multi-Year Regulation Plan (MYRP) to establish the process to set the Company's rates for the three years, October 1, 2019 through September 30, 2022. Under the MYRP proposal, the Company's retail revenue would be completely decoupled, and plant additions would be capped at approximately $85 million per year, with the ability to seek regulatory approval for important strategic opportunities and to expand innovation programs to meet demand. The ROE would be indexed off of the 2019 ROE, based on changes in long-term bond yields and utility corporate "A" credit spreads. The MYRP proposal also contains a power supply adjustor and an exogenous adjustor mechanism, including a feature that would collect a set amount annually (proposed at $8 million) to help offset the impacts of major storm costs, and it re-establishes an earnings sharing adjustment mechanism. A decision is not expected until mid-2019.

On August 10, 2018, Department filed their response to the Company's proposed 2019 Rate Filing. The Department proposed the Company receive a 4.7% base rate increase effective January 1, 2019. The Department agreed with the Company's proposed ROE of 9.3% and the return of $27.4 million of corporate tax reform benefits.

On September 11, 2018, the Company announced a multi-year term contract was reached with its Rate 70 Transmission customer to provide the customer with stable and predictable energy costs. In exchange, the customer agrees to maintain its power use on site, and forgo credits or rate cuts flowing to other Company customers during the term of the agreement, including the significant tax reform credits. The term contract is effective from January 1, 2019 through September 30, 2022 and is subject to regulatory review and approval.

On September 12, 2018, the Company filed rebuttal testimony updating its 2019 Rate Filing to reflect the Rate 70 Transmission customer term contract and certain adjustments recommended by the Department and agreed to by the Company. The Company's revised request is an increase in base rates by 5.43% or $23.5 million for the rate period January 1, 2019 to September 30, 2019. When factoring in the $27.4 million of tax reform bill credits customers will be receiving during this rate period, overall customers will see a bill decrease of 0.9%. The VPUC will hold Technical Hearings on the Company's request in October 2018 and is expected to issue an Order in December 2018.

On October 8, 2018, the DPS filed surrebuttal testimony and has updated their proposed 2019 Rate Filing increase to 5.30%, which would result in a bill decrease of 1.03% during the rate period when taking into account the tax reform bill credits customers will be receiving.

***(b) Regulatory Assets and Liabilities***

Regulatory assets and liabilities at September 30, 2018 and 2017 consist of the following:

| | | September 30, 2018 | Amortizable 2018 balances included in rates | Original amortization period |
|---|---|---|---|---|
| Regulatory assets: | | | | |
| Unfunded pension and postretirement benefits | $ | 59,166 | — | |
| Deferred storm costs | | 13,664 | 1,755 | 2 years |
| CEED fund | | 14,767 | 14,767 | 10 years |
| Pine Street Barge Canal costs | | 9,059 | 6,507 | 20 years |
| Deferred PSA costs-under collection | | 14,118 | 6,912 | 2 years |
| Meter retirements | | 392 | 392 | 5 years |
| Deferred efficiency fund | | 2,425 | 1,702 | 10 years |
| Income taxes | | 2,807 | — | |
| Renewable energy due diligence costs | | 52 | 52 | 3 years |
| Derivative financial instrument | | 22,831 | — | |
| Asset retirement obligations (ARO) | | 248 | 248 | 18 years |
| Synergy savings | | 400 | 400 | |
| No rate change | | 1,280 | — | |
| Tax reform impact | | 10,229 | — | |
| Other regulatory assets | | 1,262 | 125 | Various |
| Total regulatory assets | | 152,700 | 32,860 | |
| Regulatory liabilities: | | | | |
| Accumulated nonlegal costs of removal | | 32,546 | 612 | 2 years |
| Derivative financial instrument | | 11,101 | — | |
| Electricity assistance program | | 340 | — | 1–2 years |
| Millstone Unit #3 ARO | | 9,942 | — | |
| Solar development fee | | 399 | 399 | 2 years |
| Overfunded postretirement benefits | | 6,424 | — | |

| | | September 30, 2018 | Amortizable 2018 balances included in rates | Original amortization period |
|---|---|---|---|---|
| VYNPC net unrealized gains on long-term investments | $ | 667 | — | |
| Deferred PSA revenues-over collection | | 5 | 5 | 1 year |
| Transco Utopus gain | | 6,972 | — | |
| Tax reform impact | | 187,429 | — | |
| Other regulatory liabilities | | 862 | — | |
| Total regulatory liabilities | | 256,687 | 1,016 | |
| Net regulatory (liabilities) assets | $ | (103,987) | 31,844 | |
| Regulatory assets classified as current | $ | 23,023 | | |
| Regulatory liabilities classified as current | | 38,400 | | |

| | | September 30, 2017 | Amortizable 2017 balances included in rates | Original amortization period |
|---|---|---|---|---|
| Regulatory assets: | | | | |
| Unfunded pension and postretirement benefits | $ | 75,255 | — | |
| Deferred storm costs | | 3,549 | 3,549 | 2 years |
| CEED fund | | 15,781 | 15,781 | 10 years |
| Pine Street Barge Canal costs | | 9,866 | 7,151 | 20 years |
| Deferred PSA costs-under collection | | 13,007 | 13,007 | 1 year |
| Meter retirements | | 2,240 | 2,240 | 5 years |
| Deferred efficiency fund | | 3,530 | 2,808 | 10 years |
| Income taxes | | 4,760 | — | |
| Renewable energy due diligence costs | | 299 | 299 | 3 years |
| Derivative financial instrument | | 52,992 | — | |
| Asset retirement obligations (ARO) | | 279 | 279 | 18 years |
| Other regulatory assets | | 548 | 353 | Various |
| Total regulatory assets | | 182,106 | 45,467 | |

| | | September 30, 2017 | Amortizable 2017 balances included in rates | Original amortization period |
|---|---|---|---|---|
| Regulatory liabilities: | | | | |
| Accumulated nonlegal costs of removal | $ | 34,745 | 3,500 | 2 years |
| Derivative financial instrument | | 10,449 | — | |
| Electricity assistance program | | 3,609 | 3,609 | 1–2 years |
| Millstone Unit #3 ARO | | 8,373 | — | |
| Solar development fee | | 6,192 | 6,192 | 2 years |
| Synergy savings | | 3,000 | 3,000 | 1 year |
| Overfunded postretirement benefits | | 1,643 | — | |
| VYNPC net unrealized gains on long-term investments | | 623 | — | |
| Deferred PSA revenues-over collection | | 18 | — | 1 year |
| Other regulatory liabilities | | 1,143 | — | |
| Total regulatory liabilities | | 69,795 | 16,301 | |
| Net regulatory assets | $ | 112,311 | 29,166 | |
| Regulatory assets classified as current | $ | 15,469 | | |
| Regulatory liabilities classified as current | | 10,469 | | |

The table above indicates the pre-tax amount of net regulatory assets (liabilities) presently recorded. These amounts do not include the recognition of tax effects, which would be approximately 27.7%. If the accounting standards for entities subject to rate regulation were not used, the corresponding income and the subsequent amortization of these items would not be recognized.

*(i) Unfunded and Overfunded Pension Benefits and Postretirement Benefits*

The pension and other postretirement benefit regulatory assets and liabilities reflected above represent the unrecognized pension costs and other postretirement benefit costs that would normally be recorded as a component of other comprehensive loss. Since these amounts represent costs that are expected to be included in future rates, they are recorded as regulatory assets. Also included in the regulatory asset are other employee benefit costs that have been deferred for regulatory purposes. Any overfunded benefit plans will be returned to customers in future rates so they are recorded as regulatory liabilities. See note 13.

*(ii) Deferred Storm Costs*

Under the Alternative Regulation Plan, exogenous storm costs in excess of $1,200 allowed for exogenous factors, under the alternative regulation plan, may be recorded as a regulatory asset and recovered in future periods. The VPUC approved recovery of $12,613 of net deferred exogenous storm costs over a 2-year beginning October 1, 2015.

On November 15, 2017, the Company filed its request to recover $2,331 of deferred exogenous storm cost incurred during the April 1, 2016 to March 2017 Exogenous storm measurement period. The VPUC has approved recovery of these costs over 24 months beginning April 1, 2018.

The Company has deferred $7,249 of exogenous storm costs incurred during the April 1, 2017 to December 31, 2017 exogenous storm measurement period. The ultimate amount of these deferred storm costs that will be eligible for recovery and the timing of recovery will not be known until the filing requesting recovery of these costs is approved by the VPUC.

The Company has deferred $4,652 of exogenous storm costs incurred during the January 1, 2018 to December 31, 2018 exogenous storm measurement period. The ultimate amount of these deferred storm costs that will be eligible for recovery and the timing of recovery will not be known until after the end of the measurement period.

*(iii) Community Energy and Efficiency Fund (CEED Fund)*

One of the conditions associated with the VPUC approval of the acquisition of the former CVPS was that the Company create the CEED Fund. The CEED Fund is to be capitalized with an amount equal to $21,154 (Required Investment) as of the date the VPUC approved the acquisition, June 15, 2012. Interest accrues at the rate of inflation on uninvested amounts until the Required Investment has been made. The required investment must be made by June 2019. The Required Investment must be used to provide net customer benefits to customers in the former CVPS territory equal to or greater than 1.2 times the Required Investment plus accrued interest on unprovided benefits (Required Benefit). As of September 30, 2018, the Required Investment including accrued interest was $21,697 and the Required Benefit was $28,965. As of September 30, 2018, GMP has made the required investment which has produced a benefit of $35,557.

*(iv) Pine Street Barge Canal Costs*

The Company has recorded a regulatory asset to reflect unrecovered past and future Pine Street Barge Canal costs, and will amortize the full amount of incurred costs over 20 years without a return. The past unrecovered costs regulatory asset of $6,508 is included in rates. The estimated future unrecovered cost regulatory asset of $2,551 has a matching liability and is not yet included in rates. The amortization of the regulatory asset is expected to be recovered in future rates. See note 17(b).

*(v) PSA Over/Under-Collection*

Under the PSA, the Company records regulatory assets or liabilities for future recovery from customers 90% of energy costs that are $307 (per quarter) higher or lower than energy costs included in rates for 2018 and 2017, and the full amount of transmission and capacity costs higher or lower than included in rates.

As of September 30, 2018 and 2017, the Company recorded net deferred costs of $14,113 and $12,989, respectively. Deferred amounts are recovered from or credited to customers on an annual basis under the Alternative Regulation Plan.

*(vi) Meter Retirements*

The Company has recorded a regulatory asset for old meters being replaced as a result of new technology related to the SmartPower implementation. The amount is being amortized over a 5 year period and ending December 31, 2018.

*(vii) Deferred Efficiency Fund*

One of the conditions associated with VPUC approval of the 2007 acquisition of GMP by NNEEC (2007 acquisition) was that the Company agreed to create an Efficiency Fund (EF) and an income-based discount program that would be capitalized with an amount of $8,000, adjusted for inflation since 2001.

*(viii) Income Taxes*

A regulatory asset or liability is established if it is probable that a future increase or decrease in income taxes payable will be recovered from or returned to customers through future rates. Income tax regulatory assets and liabilities have been established for the equity component of the allowance for funds used during construction, federal and state changes in enacted tax rates, if any, and for federal ITCs. These income tax regulatory assets and liabilities are combined into a net income tax regulatory asset.

*(ix) Renewable Energy due Diligence Costs*

The Company has recorded a regulatory asset for costs related to renewable energy projects which GMP has decided not to move forward with. The amount is being amortized over a 3 year period that commenced in the year ended September 30, 2016.

*(x) Derivative Financial Instrument*

The derivative financial instrument regulatory asset and liability represents the fair value of certain power supply derivative assets and liabilities that are expected to be recognized in future rates as the derivative contracts are settled. Settlement gains or losses related to the derivative contracts are returned to or fully recovered from customers in the rates the Company charges and are discussed in detail in note 14.

*(xi) Asset Retirement Obligations*

The amount represents the deferred costs expected to be recognized in future rates, associated with conditional asset retirement obligations. Conditional asset retirement obligations are legal obligations to perform an asset retirement activity in which the timing and/or method of settlement are conditional on a future event that may or may not be within the control of the entity. The obligation to perform the asset retirement activity is unconditional even though uncertainty exists about the timing and/or method of settlement. Thus, the timing and/or method of settlement may be conditional on a future event. The Company amortizes amounts over periods similar to associated long lived assets included in utility plant.

*(xii) Synergy Savings*

GMP has recorded a net regulatory asset for synergies that will be collected from customers. The Company has a regulatory asset of $400 at September 30, 2018 and a regulatory liability of $3,000 at September 30, 2017. In 2018 the company returned $2,515 to customers. The amount of customer synergies included in rates for 2018 exceeded the customers' share of actual synergies by $885 and will be collected from customers in future years.

*(xiii) No Rate Change*

Due to no change in base rates for the period October 1, 2017 and December 31, 2017, the Company continued the level of regulatory assets and liabilities amortization included in base rates resulting in a net excess credit amortization being returned to customers. This excess amortization resulted in a net regulatory asset which the Company expects to be recovered in future rates.

*(xiv) Tax Reform*

Represents the regulatory asset created by the deferral of the utility costs resulting from federal tax reform. See note 12. This regulatory asset will be netted against the related regulatory liability and the net regulatory liability will be returned to customers through future rates.

*(xv) Other Regulatory Assets*

Consists of various projects and deferrals that the Company expects to be recovered in future rates.

*(xvi) Accumulated Non-Legal Costs of Removal*

Accumulated nonlegal costs of removal represent removal costs previously recovered from ratepayers for other-than-legal obligations. The Company reflects these amounts as a regulatory liability. The Company expects, over time, to recover or settle through future revenues any over or under-collected net costs of removal.

The Company has a regulatory liability of $612 and $3,500 at September 30, 2018 and 2017 respectively for nonlegal cost of removal that is returned to customers from October 1, 2016 to December 31, 2018.

*(xvii) Electricity Assistance Program*

The Vermont Legislature passed a law in 2009 authorizing the VPUC to implement low income rates. GMP implemented an Electricity Assistance Program (EAP) in 2013 that provides financial assistance to qualified low-income residential customers. The program is funded by a per meter charge to all retail customers, and incurs costs for a 25% discount to eligible customers, and incremental costs for program administration. The regulatory liability balance represents the excess of the amount collected and costs incurred to date. The balance will be used either to continue to fund the program or returned to customers in future rates.

*(xviii) Millstone Unit #3 ARO*

The Company has legal asset retirement obligations for decommissioning related to its jointly owned nuclear plant, Millstone and has an external trust fund dedicated to funding its share of future costs. This regulatory liability represents the excess of the Decommissioning Trust Fund asset balance over the asset retirement obligation for decommissioning. Millstone is currently operating and the ultimate decommissioning cost is an estimate at this time. The liability balance will decrease when the forecasted decommissioning obligation exceeds the trust fund asset, resulting in a regulatory asset or returned to customers when Millstone is fully decommissioned.

*(xix) Solar Development Fee*

GMP has recorded a regulatory liability for fees received related to the development of certain solar projects and the deferred day one gain received from its investment in GMP VT Solar. These fees and the gain are being returned to customers from October 1, 2016 to December 31, 2018 in accordance with the 2017 and 2018 base rate filings.

*(xx) Transco Investment Gain*

Pursuant to an Accounting Order issued by the Commission, GMP has deferred its share of an investment gain recognized by Transco in 2018. This gain will be returned to customers in a base rate filing in future years.

*(xxi) Tax Reform*

Represents the regulatory liability created by the deferral of the utility benefits resulting from federal tax reform. See note 12. The tax reform regulatory asset will be netted against this regulatory liability and the net regulatory liability will be returned to customers through future rates.

## (4) Investments in Associated Companies and Joint Owned Facilities

Investments in associated companies at September 30, 2018 and 2017 include the following:

| | 2018 | |
|---|---|---|
| | Ownership interest | Investment in equity |
| VELCO – common | 38.8 % | $ 9,690 |
| VELCO – preferred | 80.1 | 174 |
| Total VELCO | | 9,864 |
| Transco LLC | 72.1 | 585,242 |
| Green Lantern Capital Solar Fund II, LP | 99.9 | 905 |
| New England Hydro Transmission – common | 3.2 | 237 |
| New England Hydro Transmission Electric – common | 3.2 | 1,498 |
| Connecticut Yankee Atomic Power Company | 2.0 | 39 |
| Maine Yankee Atomic Power Company | 2.0 | 48 |
| Yankee Atomic Electric Company | 3.5 | 57 |
| Total investment in associated companies | | $ 597,890 |

| | 2017 | |
|---|---|---|
| | Ownership interest | Investment in equity |
| VELCO – common | 38.8 % | $ 9,857 |
| VELCO – preferred | 80.1 | 172 |
| Total VELCO | | 10,029 |
| Transco LLC | 71.7 | 529,582 |
| Green Lantern Capital Solar Fund II, LP | 99.9 | 936 |
| New England Hydro Transmission – common | 3.2 | 216 |
| New England Hydro Transmission Electric – common | 3.2 | 1,418 |
| Connecticut Yankee Atomic Power Company | 2.0 | 37 |
| Maine Yankee Atomic Power Company | 2.0 | 46 |
| Yankee Atomic Electric Company | 3.5 | 53 |
| Total investment in associated companies | | $ 542,317 |

### *(a) Vermont Electric Power Company and Vermont Transco LLC*

VELCO and Transco own and operate the transmission system in Vermont over which bulk power is delivered to all electric utilities in the state. Transco owns the transmission assets comprising the system. Transco was formed by VELCO and VELCO's owners in 2006 and VELCO was appointed as the manager of Transco. On June 30, 2006, VELCO contributed substantially all of its operating assets to Transco, in exchange for 2,400 Class A Membership Units and Transco's assumption of VELCO's debt. Transco is governed by an Amended and Restated Operating Agreement (the Transco Operating Agreement) by and among VELCO, the Company and most of Vermont's other electric utilities. VELCO operates the Transco system under a Management Services

Agreement with Transco. Transco is also governed by certain Amended and Restated Three-Party Agreements, assigned to Transco from VELCO, by and among the Company, VELCO and Transco, and VELCO remains subject to an Amended Four-Party Agreement among the Company and VELCO. VELCO currently has a 4.0% ownership interest in Transco. The remaining ownership interest in Transco is held by other Vermont-based utilities.

Pursuant to the merger agreement and VPUC order related to the acquisition of the former CVPS by NNEEC, CVPS transferred 38% of the total of VELCO Class B voting common stock and 31.7% of the total of VELCO Class C nonvoting common stock to Vermont Low Income Trust for Electricity, Inc. (VLITE), in June 2012. In addition, the transmission contracts, sponsor agreement and composition of the board of directors under which VELCO operates, effectively restrict the Company's ability to exercise control over VELCO.

GMP has performed an evaluation to determine whether Transco LLC should be consolidated in its financial statements. The Company determined that the variable interest entity model is the most appropriate model in this evaluation. VELCO, as the managing member of Transco, has complete and exclusive discretion to manage and control Transco's business. The nonmanaging members, such as the Company, are not allowed to participate in the management or control of Transco. Based on this, the evaluation determined that GMP does not have a controlling financial interest in Transco, and therefore, it is not Transco's primary beneficiary and is not required to consolidate Transco in its financial statements.

Transco provides transmission services to GMP and others pursuant to a transmission tariff known as the 1991 Transmission Agreement (the VTA), to which all Vermont electric utilities and the State of Vermont are parties. Under the VTA, GMP and all other Vermont electric utilities pay their pro rata share of Transco's total costs, including interest on debt and a fixed ROE, less revenues collected by Transco under the ISO-New England Open Access Transmission Tariff and other agreements. Under these agreements, Transco provided transmission services to the Company (reflected as transmission expenses in the consolidated statements of income) amounting to $19,515 and $20,682 for the years ended September 30, 2018 and 2017, respectively.

Transco is exposed to operating cost risk, regulatory risk associated with decisions which allow recovery of its expenses and shareholder return through tariff rates and how its customers (retail electric utilities in the State) are allowed to recover their costs in their own tariffs, and credit risk associated with a possible default by a counterparty (also retail electric utilities in the State) to the FERC tariffs under which Transco LLC operates. These risks potentially affect the amount of costs allocated to the Company as well as the carrying value of its investment in Transco LLC. The maximum exposure to loss is the carrying value of the Company's investment.

The Company made capital investments of $38,953 and $34,423 in Transco in 2018 and 2017, respectively, to support various transmission projects. The Company receives its current rate of return (see note 3) on the investment in Transco, since the Transco investment is accounted for as a regulated business for Vermont rate-setting purposes. Capital contributions to Transco are based on the transmission cost share of the Vermont utilities. The Company and other taxable Transco owners, also receive additional earnings and distributions to compensate for differences in taxability with other nontaxable Transco owners.

Summarized unaudited financial information for Transco follows:

| | | Year ended September 30 | |
|---|---|---|---|
| | | 2018 | 2017 |
| Net income | $ | 101,379 | 88,609 |
| Company's equity in net income | | 77,521 | 68,706 |
| Total assets | $ | 1,298,797 | 1,269,102 |
| Liabilities and long-term debt | | 520,314 | 559,205 |
| Net assets | $ | 778,483 | 709,897 |
| Company's equity in net assets | $ | 585,242 | 529,582 |
| Amounts due from (to) Transco, net | | 784 | (30,667) |

The Company executed an unconditional and legally binding subscription agreement to purchase additional Transco membership units from Transco for $32,370. The membership units were issued on September 29, 2017 and GMP paid for the membership units on October 2, 2017.

The Company's share of Transco's 2018 net income included a $6,972 gain on the sale of an investment. Pursuant to an Accounting Order issued by the Commission, the Company has deferred this gain to a regulatory liability. The income statement deferral is included in equity in earnings of associated companies on the consolidated statements of income.

In addition to its equity ownership interest in Transco, the Company also owns 38.8% of VELCO's common stock and 80.1% of its preferred stock. The Company's ownership interest in VELCO entitles it to approximately 38.8% of the dividends distributed by VELCO. The Company has recorded its equity in earnings on this basis.

As of September 30, 2018, VELCO has a 4% ownership interest in Transco, bringing GMP's direct and indirect ownership interest in Transco to 73.6%.

Included in the Company's financial statements are construction service receipts of $1,154 and $402, billed to VELCO for the years ended September 30, 2018 and 2017, respectively.

Summarized unaudited financial information for VELCO (parent company only) is as follows:

| | | Year ended September 30 | |
|---|---|---|---|
| | | 2018 | 2017 |
| Net income | $ | 2,885 | 2,325 |
| Company's equity in net income | | 1,026 | 875 |
| Total assets | $ | 69,015 | 78,754 |
| Liabilities and long-term debt | | 43,462 | 53,032 |
| Net assets | $ | 25,553 | 25,722 |
| Company's equity in net assets | $ | 9,864 | 10,029 |

### *(b) Other Investments in Associated Companies*

Green Lantern Capital Solar Fund II, LP: The Company is a limited partner of Green Lantern Capital Solar Fund II, LP (GLC) and has a 99.99% equity ownership interest. GLC was formed to finance solar power generating projects. The Company does not consolidate GLC as it does not control GLC. GLC is controlled by its general partner, Green Lantern Capital, LLC.

GMP's share of income from other associated companies not discussed in detail above totaled $166 and $175 during the years ended September 30, 2018 and 2017, respectively.

### (c) *Joint Owned Facilities*

GMP's joint-ownership interests in electric generating and transmission facilities as of September 30, 2018 and 2017 are as follows:

| | 2018 | | | | |
|---|---|---|---|---|---|
| | Ownership interest | Share of capacity (in MW) | | Share of utility plant | Share of accumulated depreciation |
| Joseph C. McNeil | 31.0 % | 16.7 | $ | 30,211 | 27,238 |
| Wyman #4 | 2.9 | 17.6 | | 6,328 | 6,268 |
| Stony Brook #1 | 8.8 | 31.0 | | 12,264 | 11,434 |
| Metallic Neutral Return | 59.4 | — | | 1,563 | 1,563 |
| Millstone Unit #3 | 1.7 | 21.4 | | 83,670 | 49,677 |

| | 2017 | | | | |
|---|---|---|---|---|---|
| | Ownership interest | Share of capacity (in MW) | | Share of utility plant | Share of accumulated depreciation |
| Joseph C. McNeil | 31.0 % | 16.7 | $ | 29,653 | 26,234 |
| Wyman #4 | 2.9 | 17.6 | | 6,328 | 6,080 |
| Stony Brook #1 | 8.8 | 31.0 | | 12,250 | 11,288 |
| Metallic Neutral Return | 59.4 | — | | 1,563 | 1,546 |
| Millstone Unit #3 | 1.7 | 21.4 | | 82,847 | 48,650 |

Metallic Neutral Return is a neutral conductor for the NEPOOL/Hydro-Québec Interconnection.

GMP's share of expenses for these facilities is included in operating expenses in the consolidated statements of income under the caption "Power supply expenses – Company-owned generation" for the listed generation plants (Wyman, Stony Brook, McNeil, and Millstone), under the caption "Transmission expenses" for the Metallic Neutral Return and Highgate facilities, and under the caption "Depreciation and amortization expenses" for all facilities. Each participant in these facilities must provide their own financing.

In June 2017, GMP sold its joint-ownership interest in the Highgate Transmission Facility to Vermont Transco LLC for its net book value of $32,370. This transaction occurred in the normal course of operations and was approved by the VPUC and FERC.

## (5) Long-Term Investments

### (a) *Millstone Decommissioning Trust Fund*

GMP has Decommissioning Trust Fund investments related to its joint-ownership interest in Millstone. The Decommissioning Trust Fund was established pursuant to various federal and state guidelines. Among other requirements, the fund must be managed by an independent and prudent fund manager. Any gains or losses, realized and unrealized, are expected to be refunded to or collected from ratepayers and are recorded as regulatory assets or liabilities.

Regulatory authorities limit GMP's ability to oversee the day-to-day management of its nuclear Decommissioning Trust Fund investments; therefore, GMP lacks investing ability and decision-making authority.

For the years ended September 30, 2018 and 2017, there were minimal realized gains and no realized losses. There were also no loss impairments of debt securities in 2018.

The fair values of these investments as of September 30, 2018 and 2017 are summarized below:

| | | 2018 | |
|---|---|---|---|
| | | Amortized cost | Estimated fair value |
| Marketable equity securities | $ | 3,919 | 11,103 |
| Marketable debt securities: | | | |
| Corporate bonds | | 544 | 550 |
| U.S. government issued debt securities (agency and treasury) | | 1,167 | 1,160 |
| State and municipal | | 48 | 51 |
| Total marketable debt securities | | 1,759 | 1,761 |
| Cash equivalents and other | | 76 | 76 |
| Total | $ | 5,754 | 12,940 |

| | | 2017 | |
|---|---|---|---|
| | | Amortized cost | Estimated fair value |
| Marketable equity securities | $ | 3,751 | 9,334 |
| Marketable debt securities: | | | |
| Corporate bonds | | 533 | 560 |
| U.S. government issued debt securities (agency and treasury) | | 1,147 | 1,180 |
| State and municipal | | 34 | 38 |
| Total marketable debt securities | | 1,714 | 1,778 |
| Cash equivalents and other | | 90 | 90 |
| Total | $ | 5,555 | 11,202 |

The reported trust balances include net unrealized gains of $7,187 and $5,647 as of September 30, 2018 and 2017, respectively. The Company has recorded the corresponding adjustment as a regulatory liability.

Information related to the fair value and maturities of debt securities at September 30, 2018:

| | | |
|---|---|---|
| Within one year | $ | 118 |
| One to five years | | 531 |
| Five to ten years | | 374 |
| Over ten years | | 738 |
| | $ | 1,761 |

### (6) Utility Plant

The major classes of utility plant are as follows:

| | Depreciable life in years | | September 30 2018 | September 30 2017 |
|---|---|---|---|---|
| Property, plant and equipment: | | | | |
| Distribution | 10–60 | $ | 864,933 | 812,654 |
| Generation | 35–110 | | 609,703 | 590,576 |
| Transmission | 50–60 | | 185,602 | 180,461 |
| Intangible, FERC licenses and software | 5–40 | | 67,248 | 72,662 |
| Buildings | 50 | | 47,963 | 47,831 |
| General | 10–30 | | 26,207 | 25,933 |
| Electric plant acquisition adjustments | 11 | | 22,951 | 22,951 |
| Transportation | 14 | | 33,532 | 34,618 |
| Office equipment | 5–15 | | 25,242 | 25,244 |
| Nuclear fuel, net | 1–6 | | 1,979 | 2,709 |
| Total plant in service | | | 1,885,360 | 1,815,639 |
| Accumulated depreciation and amortization | | | (632,482) | (599,579) |
| Net plant in service | | | 1,252,878 | 1,216,060 |
| Construction work in progress | | | 51,248 | 60,542 |
| Total utility plant, net | | $ | 1,304,126 | 1,276,602 |

In January 2017, the Company acquired four hydroelectric-generating facilities located in Vermont for a total purchase price of $7,450. In May 2017, the Company acquired seven hydroelectric-generating facilities in New Hampshire and one facility in Maine for a total purchase price of $8,750. The company assessed these asset acquisitions in accordance with ASC 805 – *Business Combinations* as amended by ASU No. 2017-01 – *Clarifying the Definition of a Business* and meets the similar asset threshold and were accounted for as an asset acquisition. The purchase price of these hydroelectric-generating facilities is reported in the above Generation utility plant major class.

Depreciation and amortization expense amounted to $56,614 and $54,355 in 2018 and 2017, respectively. During the years ended September 30, 2018 and 2017, administrative and general costs of $6,079 and $7,999, respectively, were capitalized, and there were no significant retirements other than the sale in June 2017 of GMP's joint-ownership interest in the Highgate Transmission Facility. See note 4(c) for further information. The composite depreciation rate for plant in service is 3.00% and 2.99%, respectively, in 2018 and 2017. The amount of CWIP included in rate base is $6,614 and $8,877, respectively, for the years ended September 30, 2018 and 2017.

### (7) Revolving Credit Facility

Effective September 14, 2018, GMP entered into a $140,000 credit facility, with the ability to increase it by an additional $10,000, with KeyBank N.A. as the lead bank. This facility replaced a $110,000 credit facility with a $15,000 accordion feature with KeyBank N.A. as the lead bank.

The purpose of the facility is to provide liquidity for general corporate purposes, in the form of funds borrowed and letters of credit. The revolver is unsecured, and allows the Company to choose a rate based on a thirty (30) day LIBOR, Overnight LIBOR or the Alternative Base Rate plus the Applicable Rate (as defined in the revolver), with a margin based upon GMP's Standard and Poor's (S&P) unsecured credit rating of A-. The Overnight LIBOR rate at September 30, 2018 and 2017 was 2.92% and 2.23%, respectively, and the 30-day LIBOR was 2.92% and 2.23%, respectively. The Company had $73,511 and $30,000 in cash borrowings, and $11,322 and $9,151 in letters of credit outstanding under its credit facility at September 30, 2018 and 2017, respectively. The Revolver balance has been classified as long term debt at September 30, 2018 and 2017, as the current facility has a maturity date of September 13, 2021, and the previous facility had a maturity date of December 14, 2019, and no annual requirement to pay off the outstanding balance on the credit facility. The Company was in compliance with all restrictive covenants and limitations as of September 30, 2018 and 2017.

## (8) Long-Term Debt

Substantially all of the property and franchises of the Company are subject to the lien of the indentures under which the First Mortgage Bonds have been issued. The First Mortgage Bonds are callable at the Company's option at any time upon payment of a make-whole premium. The Company's long-term debt consists of the following:

| | | September 30 | |
|---|---|---|---|
| | | 2018 | 2017 |
| Total first mortgage bonds outstanding | $ | 726,131 | 708,410 |
| Revolving line of credit | | 73,511 | 30,000 |
| Total long-term debt outstanding | | 799,642 | 738,410 |
| Less current maturities (due within one year) | | 86,300 | 7,280 |
| Total long-term debt outstanding, less current maturities | $ | 713,342 | 731,130 |
| Weighted average interest rate on first mortgage bonds | | 5.14 % | 5.20 % |
| Interest rate on revolving line of credit | | 2.92 | 2.23 |

The current corporate unsecured credit rating by S&P is A-; and the current senior secured debt credit ratings for the Company's first mortgage bonds by S&P is A. Amortization of capitalized bond issue expenses totaled $554 and $562 for the years ended September 30, 2018 and 2017, respectively.

On September 19, 2018, the Company closed on a $25,000 First Mortgage Bond issuance under the 28th Supplemental Indenture and has agreed to issue an additional $20,000 under this Indenture in December 2018. The terms related to each series of bonds are customary and in line with the terms found within the Company's previous bond issuances. As in past bond issuances, the bonds include a provision for a "make-whole premium" which would apply if the Company called the bonds prior to maturity. Since there is a make-whole premium, there would be no detriment to the investor if the bonds were redeemed prior to maturity. Each series of bonds has a fixed interest rate, the $25,000 series with an interest rate of 3.84% which mature in 2030 and the $20,000 series with an interest rate of 4.20% which mature in 2048.

On April 26, 2017, the Company issued a total of $80,000 in First Mortgage Bonds under the 27th Supplemental Indenture in two series. The terms related to each series of bonds are customary and in line with the terms found within the Company's previous bond issuances. As in past bond issuances, the bonds include a provision for a "make-whole premium" which would apply if the Company called the bonds prior to maturity. Since there is a make-whole premium, there would be no detriment to the investor if the bonds were redeemed prior to maturity. Each series of bonds has a fixed interest rate, the bonds issued consisted of a $15,000 series with an interest rate of 4.17% which mature in 2047 and a $65,000 series with an interest rate of 3.45% which mature in 2029.

The Company's long-term debt indentures and credit facility contain certain financial covenants. The most restrictive financial covenants include maximum debt to capitalization of 65% under its Indentures and 60% debt to capitalization requirements under the terms of our Vermont Economic Development Authority Recovery Zone Bonds. The Company was in compliance with all restrictive covenants and limitations as of September 30, 2018 and 2017.

The future maturities of long-term debt for each of the five years subsequent to September 30, 2018 are:

| | | Amount |
|---|---|---|
| Years ending September 30: | | |
| 2019 | $ | 86,300 |
| 2020 | | 10,330 |
| 2021 | | 104,866 |
| 2022 | | 8,885 |
| 2023 | | 915 |
| Thereafter | | 588,346 |
| Total | $ | 799,642 |

The First Mortgage bonds that mature beyond 2023 have maturity dates that range between 2024 and 2047.

### (9) Asset Retirement Obligations

#### *(a) General*

The Company continually reviews the regulations, laws, and contractual obligations such as decommissioning and easements to which it is a party to identify situations where there are legal obligations to perform asset retirement activities. This review identified certain easements that may obligate the Company to perform asset retirement activities. There were no new obligations identified in 2018 or 2017. The present value of such obligations identified and recorded as of September 30, 2018 and 2017 was $9,798 and $9,343, respectively, with the difference attributable to accretion expense recorded in 2018. The increase in the asset retirement obligations is a result of the present value of the obligations moving closer to the retirement date as well as the newly established obligation associated with construction of GMP Solar assets. See note 22.

#### *(b) Kingdom Community Winds (KCW)*

The asset retirement obligations includes the accumulated liability of $4,344 and $4,131 at September 30, 2018 and 2017, respectively, for the decommissioning of the Company's wind facilities located on leased property. Related to this obligation, the Company has a letter of credit against its credit facility for $6,322. See notes 6, 7, and 16g.

#### *(c) Millstone Unit #3*

The asset retirement obligations include $2,998 and $2,829 at September 30, 2018 and 2017, respectively, for decommissioning related to the Company's joint-owned nuclear plant, Millstone Unit #3. See notes 3, 5b, and 15a for further information.

Changes in the carrying value of asset retirement obligations for the years ended September 30, 2018 and 2017 are as follows:

| | | 2018 | 2017 |
|---|---|---|---|
| Balance at beginning of period | $ | 9,343 | 8,212 |
| Liabilities incurred | | — | 704 |
| Accretion expense | | 455 | 427 |
| Balance at end of period | $ | 9,798 | 9,343 |

## (10) Other Liabilities and Deferred Credits

Other current and noncurrent liabilities at September 30, 2018 and 2017 are as follows:

| | | 2018 | 2017 |
|---|---|---|---|
| Other current liabilities: | | | |
| Health, insurance and damage reserves | $ | 5,207 | 6,544 |
| Accrued taxes other than income | | 3,702 | 3,497 |
| Cash concentration account – outstanding checks | | 3,348 | — |
| Other | | 639 | 1,154 |
| Accrued capital and O&M costs | | 3,410 | 2,252 |
| SERP retirement benefits | | 381 | 373 |
| Customer credit balances | | 6,158 | 5,348 |
| Deferred compensation | | 306 | 274 |
| Total other current liabilities | $ | 23,151 | 19,442 |

| | | 2018 | 2017 |
|---|---|---|---|
| Noncurrent other liabilities and deferred credits: | | | |
| Accrued employee-related costs | $ | 793 | 938 |
| Nuclear decommissioning | | 26 | 22 |
| Other liabilities | | 81 | — |
| Total other noncurrent liabilities and deferred credits | $ | 900 | 960 |

## (11) Stockholder's Equity

### *(a) Appropriated Retained Earnings*

The Company had appropriated retained earnings of $787 at September 30, 2018 and 2017 relating to regulatory requirements arising from ownership of hydroelectric facilities.

### *(b) Dividend Restrictions*

Certain restrictions on the payment of cash dividends on common stock are contained in the Company's indentures relating to long-term debt and in the Amended and Restated Articles of Incorporation. Under the most restrictive of such provisions, $195,972 and $162,606 of retained earnings were free of restrictions at September 30, 2018 and 2017, respectively.

Certain restrictions on the payment of cash dividends on common stock exist as a result of conditions of the VPUC's approval of the 2007 acquisition of the Company by NNEEC and the approval of the merger between the Company and CVPS. The Company is required to notify the VPUC of any changes that result in a 3% or greater change in capital structure from the structure approved in the Company's last rate proceeding. The Company is also required to provide notice within 10 days after declaring each regular common stock cash dividend and to provide 30-day advance notice before declaring any special cash dividend.

During the years ended September 30, 2018 and 2017, the Company provided notices related to regular common stock cash dividends.

***(c) Capital Contributions***

In the years ended September 30, 2018 and 2017, the Company received capital contributions of $0 and $10,000, respectively, from its parent, NNEEC. The primary purpose of the investment was to fund investments in utility plant and affiliates.

**(12) Income Taxes**

The provision for income taxes for the years ended September 30, 2018 and 2017 is summarized as follows:

| | 2018 | 2017 |
|---|---|---|
| Current federal income taxes | $ — | (26) |
| Current state income taxes | 24 | (6) |
| Total current income taxes | 24 | (32) |
| Deferred federal income taxes | 16,892 | 30,492 |
| Deferred state income taxes | 8,190 | 9,102 |
| Total deferred income taxes | 25,082 | 39,594 |
| Investment tax credits-net | (139) | (149) |
| Income tax expense | $ 24,967 | 39,413 |

The significant items that reconcile between income taxes computed by applying the U.S. federal statutory rate of 24.53% for 2018 and 35% for 2017 and the reported income tax expense (benefit), for the reporting period, include the dividends received deduction, amortization of ITCs, energy credits, corporate owned life insurance, AFUDC equity, state income tax and for 2018 the impact of the Tax Cuts and Jobs Act on nonregulated business deferred taxes.

The tax effects of temporary differences that give rise to significant portions of the deferred tax assets and deferred tax liabilities at September 30, 2018 and 2017 are presented below:

| | | 2018 | 2017 |
|---|---|---|---|
| Deferred tax assets: | | | |
| Regulatory liability tax reform | $ | 49,206 | — |
| Net operating losses and tax credits | | 61,202 | 75,918 |
| Asset retirement and cost of removal obligations | | 11,981 | 16,710 |
| Deferred compensation and other benefit plans | | 18,451 | 29,853 |
| Other liabilities and deferred credits | | 11,251 | 11,533 |
| Derivative financial instruments | | 9,404 | 25,710 |
| Total deferred tax assets | | 161,495 | 159,724 |
| Deferred tax liabilities: | | | |
| Accelerated tax depreciation on property | | 206,307 | 298,095 |
| Regulatory assets – pension and other postretirement benefits | | 18,215 | 30,850 |
| Pine Street Barge Canal | | 2,511 | 3,998 |
| Investment in associated companies | | 111,573 | 144,235 |
| Other deferred charges and other assets | | 22,882 | 20,576 |
| Derivative financial instrument regulatory assets | | 9,404 | 25,710 |
| Total deferred tax liabilities | | 370,892 | 523,464 |
| Net deferred income tax liability | $ | 209,397 | 363,740 |

The change in the net deferred tax liability arises from the deferred income tax expense included in the consolidated financial statements for the periods presented, primarily affected by accelerated tax depreciation, tax versus book differences in investment in affiliates, changes in regulatory assets and liabilities and net operating losses. In addition, for 2018, the change in the net deferred tax liability also results from the impact on federal income tax rates of the Tax Cuts and Jobs Act.

As of September 30, 2018 GMP recorded $61,202 of deferred tax assets related to net operating loss (NOL) carryforwards and tax credit carryforwards. Federal NOLs will expire if unused starting in fiscal year 2033. State NOLs will expire if unused starting in fiscal year 2023. Management believes it is more likely than not that the Company will realize its deferred tax assets based upon the expected future reversals of taxable temporary differences and the generation of future taxable income. Based on these sources of future income the Company has not recorded any valuation allowances as of September 30, 2018 and 2017.

The Company records the benefits of ITCs through the amortization, as approved by the VPUC, of the unamortized ITCs, which are initially recorded as a liability. The remaining balance of unamortized ITCs shown separately on the consolidated balance sheets at September 30, 2018 and 2017 was $7,377 and $7,531, respectively.

While the Company believes it has adequately provided for all tax positions, amounts asserted by taxing authorities could be greater than the Company's accrued position. Accordingly, additional provisions on federal and state tax-related matters could be recorded in the future as revised estimates are made or the underlying matters are settled or otherwise resolved.

During the year ended September 30, 2017, due to an adverse ruling to the Company's appeal regarding a denied state refund, the Company reversed the previously recorded unrecognized state tax benefit of $54 and the associated deferred federal tax benefit and recorded the state tax expense and federal benefit as final. There were no unrecognized tax benefits for the years ended September 30, 2018 and 2017.

The Company recognizes interest accrued related to unrecognized tax benefits in interest expense and penalties in nonoperating expenses. During the years ended September 30, 2018 and 2017, the Company recognized no interest or penalties. The Company is subject to income taxes in the United States, but no foreign jurisdictions.

At September 30, 2018, open tax years for federal and state tax returns are 2015 and forward. During 2018 there were no federal income tax audits during the years ended September 30, 2018 or 2017.

On December 22, 2017 the President signed into law the "Tax Cuts and Jobs Act" (TCJA), a comprehensive tax reform law that provides significant changes that are applicable to the Company. The most significant TCJA tax law change impacting the Company during 2018 is the reduction in the federal corporate tax rate from 35% to 21%. Since the Company is a fiscal year taxpayer, it utilized a 24.53% blended federal rate for current year transactions, in accordance with the Internal Revenue Code, as well as a 21% federal tax rate for valuing accumulated deferred income tax liabilities, as these will reverse in future years when the federal tax rate is expected to be 21%. Commencing 2019, GMP will use the 21% federal tax rate for tax effecting transactions as well as valuing its accumulated deferred income tax liabilities.

The impacts of the tax rate change on the Company's 2018 consolidated balance sheets was a $178,006 decrease in accumulated deferred income tax liabilities and the recognition of $177,544 in regulatory liabilities. The regulatory liabilities represent the excess taxes that have been collected from customers that will not be used to pay future income tax liabilities due to the rate decrease. As agreed in the regulatory rate setting process, these will be amortized and returned to customers, some during 2019 and others in accordance with Internal Revenue Service normalization requirements.

The impact of tax reform on net income was a $462 decrease in 2018 tax expense, attributable to the decrease in accumulated deferred income tax liabilities related to the nonregulatory business which is not subject to regulatory liability treatment and an additional $900 decrease in 2018 tax expense due to current year synergy savings and nonregulatory operations.

Finally, since 2018 customer rates were set using the 35% federal tax rate applicable at the time of regulatory rate setting, GMP has elected to return excess taxes collected of $6,000 to customers in the form of bill credits from March 2018 to December 2018.

## (13) Employee Benefit Plans

### *(a) Defined Benefit Pension Plan and Other Postretirement Benefit Plan*

The Company has a qualified noncontributory defined benefit pension plan (the Pension Plan) covering substantially all of its employees. New employees are not eligible to participate in the defined benefit plan. The defined pension benefits are based on the employees' level of compensation and length of service. Under the terms of the Pension Plan, employees are vested after completing five years of service, and can receive a pension benefit when they are at least age 55 with a minimum of 10 years of service or when their combined years of service and age total 80 or 85 for GMP or the former CVPS plans, respectively. Normal retirement age is 65. The Company makes annual contributions to the plans up to the maximum amount that can be deducted for income tax purposes.

The Company also provides certain healthcare and life insurance benefits for retired employees and their dependents. Employees become eligible for these benefits if they reach retirement age while working for the Company. Eligibility and benefit levels vary depending on date of hire and whether or not the retiree was a CVPS employee prior to the merger with GMP. GMP employees hired after December 31, 2007 are not eligible to receive post-retirement health care benefits. The Company accrues the cost of these benefits during the service life of covered employees.

Postretirement healthcare benefits are recovered in rates. GMP amended its postretirement healthcare plan to establish a 401(h) sub account and separate Voluntary Employee Benefit Account (VEBA) trusts for its union and nonunion employees, for purposes of funding the plan benefits. The VEBA and 401(h) plan assets consist primarily of cash equivalent funds, fixed income securities and equity securities.

As of December 31, 2016, GMP amended the pension plan to eliminate certain life insurance death benefits, which were transferred to the other postretirement benefits plan. This amendment shifted about $0.8 million of liability from the pension plan to the other postretirement benefits plan. There were no impacts to GMP's financial statements as a result of this transfer of benefit obligation.

At September 30, 2018 and 2017, the unfunded pension obligations totaled $46,095 and $60,618, respectively. The Company recorded a regulatory asset for the net actuarial loss in the pension plan. At September 30, 2018 and 2017, the other postretirement benefit assets totaled $7,071 and $1,498, respectively, and are included in other assets on the consolidated balance sheets. The Company recorded a regulatory liability for the net actuarial gain in the postretirement benefit plan.

The following provides a summary of activity affecting the pension and postretirement plans' benefit obligations and assets for the years ended September 30, 2018 and 2017:

| | | 2018 | |
|---|---|---|---|
| | | Pension plan benefits | Other postretirement benefits |
| Fair value of plan assets | $ | 178,102 | 44,931 |
| Projected benefit obligation | | 224,197 | 37,860 |
| Funded status | $ | (46,095) | 7,071 |
| Accumulated benefit obligation | $ | 206,355 | 37,860 |
| Net actuarial loss recognized in regulatory assets (liabilities) | | 58,152 | (6,424) |

| | | 2017 | |
|---|---|---|---|
| | | Pension plan benefits | Other postretirement benefits |
| Fair value of plan assets | $ | 182,141 | 44,914 |
| Projected benefit obligation | | 242,759 | 43,416 |
| Funded status | $ | (60,618) | 1,498 |
| Accumulated benefit obligation | $ | 220,843 | 43,416 |
| Net actuarial loss recognized in regulatory assets (liabilities) | | 73,805 | (1,643) |

The Company pays for certain postretirement healthcare and life insurance benefits and those payments are included in the determination of the projected benefit obligation.

Net periodic pension expense and other postretirement benefit costs, employer and participant contributions, and benefits paid by plan are:

| | Year ended | | | |
|---|---|---|---|---|
| | 2018 | | 2017 | |
| | Pension plan benefits | Other postretirement benefits | Pension plan benefits | Other postretirement benefits |
| Net periodic benefit cost | $ 6,567 | (913) | 8,060 | (563) |
| Employer contributions | 5,439 | 73 | 6,967 | 508 |
| Participant contributions | — | 1,166 | — | 1,103 |
| Benefits paid | 13,831 | 3,659 | 13,429 | 3,987 |

Assumptions used to determine the Company's projected benefit obligations and the net pension and other postretirement benefit costs were:

| | Year ended September 30, 2018 | |
|---|---|---|
| | Pension plan benefits | Other postretirement benefits |
| Weighted average assumptions: | | |
| Discount rate for projected benefit obligation | 4.29 % | 4.24 % |
| Discount rate for service cost | 3.97 | 3.95 |
| Discount rate for interest cost | 3.44 | 3.20 |
| Expected return on assets | 6.85 | 6.65 |
| Rate of compensation increase (to determine the costs and obligation) | 3.25 | — |
| Current year healthcare cost trend | — | 7.00 |
| Ultimate year healthcare cost trend | — | 5.00 |
| Year of ultimate trend rate | — | 2023 |

| | Year ended September 30, 2017 | |
|---|---|---|
| | Pension plan benefits | Other postretirement benefits |
| Weighted average assumptions: | | |
| Discount rate for projected benefit obligation | 3.85 % | 3.74 % |
| Discount rate for service cost | 3.77 | 3.74 |
| Discount rate for interest cost | 3.13 | 2.85 |
| Expected return on assets | 6.85 | 6.65 |
| Rate of compensation increase (to determine the costs and obligation) | 3.25 | — |
| Current year healthcare cost trend | — | 7.00 |
| Ultimate year healthcare cost trend | — | 5.00 |
| Year of ultimate trend rate | — | 2023 |

The mortality assumption utilized an RP-2017 mortality table with Scale MP-2017 for the year ended September 30, 2018. The mortality assumption utilized an RP-2014 mortality table projected back to 2006 with Scale MP-2014 then forward with full generational projection using Scale BB-2D for the year ended September 30, 2017.

For measurement purposes, a 7% annual rate of increase in the per capita cost of covered medical benefits was assumed for 2018 and 2017. This rate of increase was assumed to gradually decline to 5% in 2023. The medical trend rate assumption has an effect on the amounts reported. For example, increasing the assumed healthcare cost trend rate by one percentage point for all future years would increase the total of the service and interest cost components of net periodic postretirement cost for the years ended September 30, 2018 and 2017 by $124 or 6.2% and $137 or 7.0%, respectively. Decreasing the trend rate by one percentage point for all future years would decrease the total of the service and interest cost components of net periodic postretirement cost for the years ended September 30, 2018 and 2017 by $100 or 5.0% and $140 or 7.1%, respectively. Increasing the assumed healthcare cost trend rate by one percentage point for all future years would increase the postretirement benefit obligation for the years ended September 30, 2018 and 2017 by $2,169 or 5.7% and $2,806 or 6.5%, respectively. Decreasing the trend rate by one percentage point for all future years would decrease the postretirement benefit obligation for the years ended September 30, 2018 and 2017 by $1,788 or 4.7% and $2,332 or 5.4%, respectively.

The Company's defined benefit plan investment policy seeks to achieve sufficient growth to enable the defined benefit plans to meet their future obligations and to maintain certain funded ratios and minimize near-term cost volatility. Current guidelines for the pension plan combined assets specify that 40% be invested in equity securities, 43% be invested in debt securities, and the remainder be invested in alternative and other investments. Investment guidelines for the other postretirement benefit plan combined assets specify that 8% be invested in equity securities, 86% be invested in debt securities and the remainder be invested in alternative and other investments. The Company's future goals include de-risking the portfolio of other postretirement benefit securities, therefore the investment guidelines are more conservative than the actual allocations at September 30, 2018.

For September 30, 2018 and 2017 the Company expects an annual long-term return of 6.85% for the pension plan assets and a return of 6.65% for the other postretirement plan assets based on a representative target asset allocation described above. In formulating this assumed rate of return, the Company considered historical returns by asset category and expectations for future returns by asset category based, in part, on expected capital market performance over the next 10 years.

Asset categories and weighted average allocation percentages are provided in the following table.

| | Pension plan assets | | Other postretirement benefit assets | |
|---|---|---|---|---|
| | **2018** | **2017** | **2018** | **2017** |
| Weighted average asset allocation asset category: | | | | |
| Equity securities | 45 % | 44 % | 51 % | 55 % |
| Debt securities | 38 | 41 | 42 | 43 |
| Other | 17 | 15 | 7 | 2 |
| Total | 100 % | 100 % | 100 % | 100 % |

### *(b) Pension and Postretirement Benefit Plans Asset Fair Values*

The fair values of the pension and other postretirement benefit plan investments are presented below:

| | Pension plan assets fair value measurements at September 30, 2018 | | | | |
|---|---|---|---|---|---|
| | **Total** | **Quoted prices in active markets for identical assets (Level 1)** | **Significant observable inputs (Level 2)** | **Significant unobservable inputs (Level 3)** | **Measured at NAV (1)** |
| Asset category: | | | | | |
| Cash equivalents | $ 4,351 | 4,351 | — | — | — |
| Limited partnerships | 30,821 | — | — | — | 30,821 |
| Exchange traded funds | 34,179 | 34,179 | — | — | — |
| Equity securities: | | | | | |
| U.S. companies | 19,574 | 19,572 | 2 | — | — |
| International companies | 4,408 | 2,939 | 1,469 | — | — |
| Fixed income securities: | | | | | |
| U.S. Treasury securities | 20,140 | — | 20,140 | — | — |
| Mortgage-backed securities | 1,851 | — | 1,851 | — | — |
| Corporate bonds – U.S. companies | 37,369 | — | 37,369 | — | — |
| Corporate bonds – foreign | 5,215 | — | 5,215 | — | — |
| Mutual funds: | | | | | |
| Equity funds | 20,194 | 20,194 | — | — | — |
| Total | $ 178,102 | 81,235 | 66,046 | — | 30,821 |

(1) Investments measured at NAV amounts are comprised of certain investments measured at fair value using NAV (or its equivalent) as a practical expedient. These investments are not classified in the fair value hierarchy.

**Pension plan assets fair value measurements at September 30, 2017**

| | | Total | Quoted prices in active markets for identical assets (Level 1) | Significant observable inputs (Level 2) | Significant unobservable inputs (Level 3) | Measured at NAV (1) |
|---|---|---|---|---|---|---|
| Asset category: | | | | | | |
| Cash equivalents | $ | 5,265 | 5,265 | — | — | — |
| Limited partnerships | | 28,459 | — | — | — | 28,459 |
| Exchange traded funds | | 37,429 | 37,429 | — | — | — |
| Equity securities: | | | | | | |
| U.S. companies | | 18,014 | 18,011 | 3 | — | — |
| International companies | | 3,710 | 2,404 | 1,306 | — | — |
| Fixed income securities: | | | | | | |
| U.S. Treasury securities | | 24,384 | — | 24,384 | — | — |
| Mortgage-backed securities | | 6,283 | — | 6,283 | — | — |
| Corporate bonds – U.S. companies | | 32,179 | — | 32,179 | — | — |
| Corporate bonds – foreign | | 5,740 | — | 5,740 | — | — |
| Municipal bonds | | 307 | — | 307 | — | — |
| Mutual funds: | | | | | | |
| Equity funds | | 20,371 | 20,371 | — | — | — |
| Total | $ | 182,141 | 83,480 | 70,202 | — | 28,459 |

(1) Investments measured at NAV amounts are comprised of certain investments measured at fair value using NAV (or its equivalent) as a practical expedient. These investments are not classified in the fair value hierarchy.

**Other postretirement benefit plan assets fair value measurements at September 30, 2018**

| | | Total | Quoted prices in active markets for identical assets (Level 1) | Significant observable inputs (Level 2) | Significant unobservable inputs (Level 3) |
|---|---|---|---|---|---|
| Asset category: | | | | | |
| Cash equivalents | $ | 1,227 | 1,227 | — | — |
| Exchange traded funds | | 12,382 | 12,382 | — | — |
| Equity securities: | | | | | |
| U.S. companies | | 348 | 348 | — | — |
| International companies | | 13 | 13 | — | — |

| | Other postretirement benefit plan assets fair value measurements at September 30, 2018 | | | | |
|---|---|---|---|---|---|
| | | Total | Quoted prices in active markets for identical assets (Level 1) | Significant observable inputs (Level 2) | Significant unobservable inputs (Level 3) |
| Fixed income securities: | | | | | |
| U.S. Treasury securities | $ | 4,220 | 4,220 | — | — |
| Mortgage-backed securities | | 152 | 152 | — | — |
| Corporate bonds | | | | | |
| U.S. companies | | 8,305 | 8,305 | — | — |
| Corporate bonds foreign | | 671 | 671 | — | — |
| Mutual funds: | | | | | |
| Equity funds | | 14,323 | 14,323 | — | — |
| Fixed-income funds | | 3,279 | 3,279 | — | — |
| Real estate funds | | 11 | 11 | — | — |
| Total | $ | 44,931 | 44,931 | — | — |

| | Other postretirement benefit plan assets fair value measurements at September 30, 2017 | | | | |
|---|---|---|---|---|---|
| | | Total | Quoted prices in active markets for identical assets (Level 1) | Significant observable inputs (Level 2) | Significant unobservable inputs (Level 3) |
| Asset category: | | | | | |
| Cash equivalents | $ | 690 | 690 | — | — |
| Exchange traded funds | | 8,125 | 8,125 | — | — |
| Equity securities: | | | | | |
| U.S. companies | | 3,290 | 3,290 | — | — |
| International companies | | 169 | 169 | — | — |
| Fixed income securities: | | | | | |
| Mutual funds: | | | | | |
| Equity funds | | 13,815 | 13,815 | — | — |
| Fixed-income funds | | 18,816 | 18,816 | — | — |
| Real estate funds | | 9 | 9 | — | — |
| Total | $ | 44,914 | 44,914 | — | — |

***(c) Pension and Other Postretirement Benefit Plan Cash Flow***

Projected benefits and contributions are as follows:

| | | Pension plan | | Other postretirement benefits | |
|---|---|---|---|---|---|
| | | Contributions | Benefit payments | Contributions | Benefit payments |
| Years ending September 30: | | | | | |
| 2019 | $ | 4,500 | 11,691 | 200 | 2,401 |
| 2020 | | — | 12,934 | — | 2,394 |
| 2021 | | — | 12,867 | — | 2,416 |
| 2022 | | — | 12,856 | — | 2,429 |
| 2023 | | — | 13,255 | — | 2,387 |
| 2024 through 2028 | | — | 67,071 | — | 11,750 |

Pension and other postretirement contributions beyond 2019 have yet to be determined.

### *(d) Defined Contribution Plan*

The Company maintains a 401(k) Savings Plan for substantially all employees. This plan provides for employee contributions up to specified limits. The Company matches employee pretax contributions up to 4%. The Company contributes each year an additional 0.75% of eligible compensation made on a nonmatching basis to GMP employees hired prior to January 1, 2008 and to former CVPS employees hired prior to April 1, 2010. For GMP employees hired on or after January 1, 2008 and former CVPS employees hired on or after April 1, 2010, the Company contributes each year an additional 3.25% of eligible compensation, made on a nonmatching basis. The Company's matching contribution is immediately vested. The Company's matching and nonmatching contributions for the years ended September 30, 2018 and 2017 totaled $2,391 and $2,326, respectively.

### *(e) Supplemental Executive Retirement Plan*

The Company provides a nonqualified retirement plan (SERP) for certain employees. Benefits under the SERP are funded on a cash basis. The amount of expense recognized for this plan for the years ended September 30, 2018 and 2017 was $284 and $412, respectively. As of September 30, 2018 and 2017, the SERP benefit obligation, based on a discount rate of 3.74% and 2.92%, was $4,518 and $4,711, respectively. As of September 30, 2018 and 2017, the current and long-term portions were $268 and $260 and $4,250 and $4,451, respectively. As of September 30, 2018 and 2017 regulatory assets were recorded for the unrecognized benefit costs associated with actuarial losses in the amount of $482 and $799, respectively.

GMP has life insurance policies intended to fund nonqualified SERP and deferred compensation benefits for GMP and former CVPS executives under the terms of their employment agreements. As of September 30, 2018 and 2017, the total cash surrender value was $17,020 and $16,676, of which $7,036 and $6,997, respectively, is included in a Rabbi Trust.

### *(f) Deferred Compensation*

The Company has a deferred compensation plan for current and past officers and past directors. Amounts deferred are at the option of the officer or director, and include annual interest on the amounts deferred. As of September 30, 2018 and 2017 the obligations were $3,981 and $4,010, respectively.

## (14) Derivative Financial Instruments

The Company purchases the majority of its power supply, and uses long-term power supply contracts to mitigate rate volatility to customers. The Company enters into physical power supply agreements with various counterparties to hedge against fossil fuel price increases. Many of these contracts are derivatives but because they meet the exception for a normal purchase and sale contract, they are not carried at fair value. As a result the Company records contract-specified prices for electricity as an expense in the period used, as opposed to the changes occurring in fair market values. See note 16.

The Company previously entered into two capacity rate swap contracts to hedge a portion of its forward capacity costs. Since these contracts are settling on a net basis, they do not meet the criteria as a normal purchase and sale and they are accounted for at fair value. In 2018 the Company reclassified these capacity rate swap contracts from Level 3 to Level 2 fair value measures. We are able to include observable pricing information in the valuation technique. Previously, these rate swap contracts were considered Level 3 fair value measures that relied on the use of unobservable pricing information.

During 2017, the Company evaluated its normal purchase and sale contracts and determined that several of its short-term energy purchase contracts no longer met the criteria for normal purchases, because the power that will be delivered pursuant to these contracts will result in excess power supply during certain months between 2017 and 2025. As a result, the Company records these derivative contracts at fair value.

Also during 2017, the Company also entered into three forward sale contracts for the sale of forecast excess power supply between 2018 and 2020. These contracts do not meet the normal sale criteria and are also accounted for at fair value.

No new derivative contracts were entered into during 2018, except for one short-term sale contract that expired March 31, 2018.

Due to a regulatory order from the VPUC that requires the Company to defer recognition of any earnings or other comprehensive income effects relating to future periods from power supply arrangements that qualify as derivatives, the Company records an offsetting regulatory asset or liability for the fair value and any subsequent unrealized gains or losses, of their derivative instruments. There are no realized gains or losses in the consolidated statements of income because all gains and losses on power contracts are included in the PSA as the contracts settle. The current portion of derivative assets and liabilities, if any, are presented separately in the consolidated balance sheets.

The following table shows the calculated fair value of the derivative contracts, reflecting the risk that the Company or the counterparty will not execute upon the arrangement. Actual value upon settlement may differ materially from the fair values shown below:

| | | Fair value as of September 30 | | | |
|---|---|---|---|---|---|
| | | 2018 | | 2017 | |
| **Derivatives** | | **Assets** | **Liabilities** | **Assets** | **Liabilities** |
| Forward energy purchases | $ | 4,296 | 18,903 | 1,585 | 43,542 |
| Forward energy sales | | 1,672 | 1,268 | 8,864 | — |
| Capacity rate swaps | | 5,133 | 2,660 | — | 9,450 |
| Total power supply derivative | $ | 11,101 | 22,831 | 10,449 | 52,992 |
| Current portion | $ | 9,191 | 8,433 | 3,435 | 8,576 |

The tables below present assumptions used to estimate the fair value of the derivative contracts at September 30, 2018 and 2017. The forward energy purchase and sale prices are based on energy market quotations, and the forward capacity prices are based on forward capacity auction prices determined by ISO New England.

| | September 30, 2018 | | | | | |
|---|---|---|---|---|---|---|
| | Valuation model | Risk free interest rate | Price volatility | Average forward price/MWh [(1)] price/kW-Mo [(2)] | | Contracts expire |
| Forward energy purchases | Net present value | 2.07%–3.00% | n/a | $ | 42.16 [(1)] | 2018–2025 |
| Forward energy sales | Net present value | 2.07%–2.75% | n/a | | 42.86 [(1)] | 2018–2020 |
| Capacity rate swaps | Net present value | 2.07%–2.75% | n/a | | 7.29 [(2)] | 2019–2021 |

| | September 30, 2017 | | | | | |
|---|---|---|---|---|---|---|
| | Valuation model | Risk free interest rate | Price volatility | Average forward price/MWh [(1)] price/kW-Mo [(2)] | | Contracts expire |
| Forward energy purchases | Net present value | 0.97%–2.13% | n/a | $ | 38.18 [(1)] | 2017–2025 |
| Forward energy sales | Net present value | 1.07%–1.50% | n/a | | 37.84 [(1)] | 2018–2020 |
| Capacity rate swaps | Net present value | 1.25%–1.50% | n/a | | 5.30 [(2)] | 2019–2021 |

Certain of the Company's derivative instruments contain reciprocal provisions that require the counter-parties' and the Company's debt to maintain an investment grade credit rating from the major credit rating agencies. The failure to maintain an investment grade rating would obligate the counterparties or Company to deposit collateral in an amount equal to the fair value adjustment to the notional amount of the contract for derivative instruments in a liability position, as shown in the tables below.

The following table summarizes the counterparties to GMP's derivative contracts together with the fair value of those contracts, if any, as of September 30, 2018 and 2017:

| | 2018 | | | | |
|---|---|---|---|---|---|
| | Market value | | | | Collateral required if below investment grade |
| Counterparties | | Risk free | With credit risk | Assets/ (liabilities) | |
| Next Era | $ | 10,084 | 10,071 | 10,071 | — |
| Shell | | 1,028 | 1,030 | 1,030 | — |
| Cargill | | (163) | (164) | (164) | (164) |
| Citigroup | | (1,282) | (1,264) | (1,264) | (1,264) |
| BP Energy | | (9,239) | (9,204) | (9,204) | (9,204) |
| Next Era | | (12,563) | (12,199) | (12,199) | (4,602) |
| Net total | $ | (12,135) | (11,730) | (11,730) | (15,234) |

| | 2017 | | | |
|---|---|---|---|---|
| | Market value | | | |
| Counterparties | Risk free | With credit risk | Assets/ (liabilities) | Collateral required if below investment grade |
| Next Era | $ 10,422 | 10,403 | 10,403 | — |
| BP Energy | 47 | 46 | 46 | — |
| Cargill | (3,410) | (3,391) | (3,391) | (3,391) |
| Shell | (1,384) | (1,346) | (1,346) | (1,346) |
| Citigroup | (2,179) | (2,120) | (2,120) | (2,120) |
| BP Energy | (17,597) | (17,429) | (17,429) | (17,383) |
| Next Era | (29,623) | (28,706) | (28,706) | (8,853) |
| Net total | $ (43,724) | (42,543) | (42,543) | (33,093) |

The Company recorded corresponding regulatory liabilities and assets related to these derivative balances. Amounts due during the next fiscal year, if any, are classified in current assets and current liabilities.

### (15) Fair Value of Financial Instruments

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. The carrying amounts for cash and cash equivalents, accounts receivable, prepaid expenses, income tax receivable, accounts payable and accrued liabilities approximate their fair values because of their short-term maturities. The carrying amount of the spent fuel disposal fee and accrued interest obligation approximates its fair value because it represents the amount that would be required to be paid if the DOE was to begin taking delivery of spent nuclear fuel. See note 5(a). The fair value of the Company's revolving line of credit included in long-term debt approximates its carrying value due to the short-term nature of the related borrowings and the variable interest rate. Life insurance policies held by the Rabbi Trust are carried at cash surrender value.

The Company's estimates of fair value of financial assets and financial liabilities are based on the framework and hierarchy established in applicable accounting pronouncements. The framework is based on the inputs used in valuation, gives the highest priority to quoted prices in active markets and requires that observable inputs be used in the valuations when available. The disclosure of fair value estimates in the hierarchy is based on whether the significant inputs into the valuation are observable.

At September 30, 2018 and 2017, the fair value of the Company's first mortgage bonds included in long-term debt was $780,477 and $810,565 (carrying amount of $726,131 and $708,410), respectively. The fair value of the Company's first mortgage bonds are measured using quoted offered-side prices when quoted market prices are available. If quoted market prices are not available, the fair value is determined based on quoted market prices for similar issues with similar remaining time to maturity and similar credit ratings.

The following table sets forth by level the fair value hierarchy of financial assets and liabilities that are accounted for at fair value on a recurring basis. The Company's assessment of the significance of a particular input to the fair value measure requires judgment, and may affect the valuation of the assets and liabilities and their placement within the fair value hierarchy:

| | Fair value as of September 30, 2018 | | | |
|---|---|---|---|---|
| | **Level 1** | **Level 2** | **Level 3** | **Total** |
| Spent fuel disposal and decommissioning trusts: | | | | |
| Marketable equity securities | $ 4,198 | 6,905 | — | 11,103 |
| U.S. government issued debt securities (agency and treasury) | 73,530 | 8,315 | — | 81,845 |
| Municipal obligations | — | 26,478 | — | 26,478 |
| Corporate and other bonds | — | 36,291 | — | 36,291 |
| Money market funds | 3,193 | 72 | — | 3,265 |
| Total spent fuel disposal and decommissioning trusts | 80,921 | 78,061 | — | 158,982 |
| VYNPC Rabbi Trust: | | | | |
| Fixed Income mutual funds | 432 | — | — | 432 |
| Equity mutual funds | 2,442 | — | — | 2,442 |
| Money market funds | 4 | | — | 4 |
| Total Rabbi Trust | 2,878 | — | — | 2,878 |
| Derivatives: | | | | |
| Forward energy purchases | — | (8,480) | (6,128) | (14,608) |
| Forward energy sales | — | 404 | — | 404 |
| Capacity rate swaps | — | 2,474 | — | 2,474 |
| Total Derivatives | — | (5,602) | (6,128) | (11,730) |
| Total | $ 83,799 | 72,459 | (6,128) | 150,130 |

| | Fair value as of September 30, 2017 | | | |
|---|---|---|---|---|
| | Level 1 | Level 2 | Level 3 | Total |
| Spent fuel disposal and decommissioning trusts: | | | | |
| Marketable equity securities | $ 3,522 | 5,812 | — | 9,334 |
| U.S. government issued debt securities (agency and treasury) | 72,518 | 8,932 | — | 81,450 |
| Municipal obligations | — | 23,590 | — | 23,590 |
| Corporate and other bonds | — | 39,490 | — | 39,490 |
| Money market funds | 2,880 | 74 | — | 2,954 |
| Total spent fuel disposal and decommissioning trusts | 78,920 | 77,898 | — | 156,818 |
| VYNPC Rabbi Trust: | | | | |
| Fixed Income mutual funds | 2,479 | — | — | 2,479 |
| Equity mutual funds | 436 | — | — | 436 |
| Money market funds | 20 | — | — | 20 |
| Total Rabbi Trust | 2,935 | — | — | 2,935 |
| Derivatives: | | | | |
| Forward energy purchases | — | (31,255) | (10,702) | (41,957) |
| Forward energy sales | — | 8,864 | — | 8,864 |
| Capacity rate swaps | — | — | (9,450) | (9,450) |
| Total Derivatives | — | (22,391) | (20,152) | (42,543) |
| Total | $ 81,855 | 55,507 | (20,152) | 117,210 |

***(a) Millstone Decommissioning Trust***

The Company's primary valuation technique to measure the fair value of its nuclear Decommissioning Trust Investments is the market approach. GMP owns a share of the qualified decommissioning fund and cannot validate a publicly quoted price at the qualified fund level. However, actively traded quoted prices for the underlying securities in the fund have been obtained. Due to these observable inputs, fixed income, equity and cash equivalent securities in the qualified fund are classified as Level 2. Equity securities are held directly in GMP's nonqualified trust and actively traded quoted prices for these securities have been obtained. Due to these observable inputs, these equity securities are classified as Level 1.

***(b) Derivatives – Forward Energy Contracts and Capacity Rate Swaps***

At September 30, 2018, there were no recognized gains or losses included in earnings or other comprehensive income attributable to the change in unrealized gains or losses related to derivatives still held at the reporting date. This is due to the Company's regulatory accounting treatment for all power-related derivatives. The following table is a reconciliation of the changes in net fair value of derivative contracts that are classified as Level 3 in the fair value hierarchy:

| | | |
|---|---|---|
| Balance at beginning of period | $ | (20,152) |
| Change in fair value relating to unrealized losses | | 4,574 |
| Capacity rate swaps transferred to Level 2 | | 9,450 |
| Balance at September 30, 2018 | $ | (6,128) |

**(16) Long-Term Power Purchase and Other Commitments**

***(a) Electricity Purchase Commitments***

Purchased power expense by significant contract supplier was as follows:

| | | Year ended September 30 | |
|---|---|---|---|
| | | 2018 | 2017 |
| Hydro-Québec | $ | 53,540 | 53,855 |
| Independent Power Producers | | 38,720 | 45,406 |
| Next Era | | 48,677 | 31,043 |
| Macquarie (formerly Cargill) | | 15,777 | 13,471 |
| Granite Reliable | | 13,974 | 12,783 |
| Citigroup | | 2,464 | 15,959 |
| Deerfield | | 4,006 | — |
| Shell | | 4,797 | 22,854 |
| BP Energy | | 25,798 | 17,254 |

Certain contracts qualify for normal purchases and sales treatment, and are not subject to fair value accounting treatment as they are for the purchase of electricity to fulfill the Company's power supply needs. The expense related to these contracts is recorded and recognized in power supply expense at the time that the contracts are settled and the Company takes delivery of the electricity. See note 14 for contracts that are accounted for as derivatives.

Significant purchased power contracts in effect as of September 30, 2018, including estimates for the Company's portion of certain minimum costs, are as follows:

| | | Estimated payments contractually due |
|---|---|---|
| Years ending September 30: | | |
| 2019 | $ | 208,288 |
| 2020 | | 206,220 |
| 2021 | | 196,440 |
| 2022 | | 191,278 |
| Thereafter | | 2,294,376 |
| Total | $ | 3,096,602 |

### *(b) Hydro-Québec Contracts*

On April 15, 2011, the VPUC approved a long-term power purchase and sale agreement between Hydro-Québec Energy Services (U.S.) Inc. (HQUS), a subsidiary of HQ, and a group of Vermont utilities including GMP. The Company determined that the contract qualifies for "normal purchase normal sale" accounting treatment. Under the HQUS agreement, GMP will receive a portion of a statewide total of up to 225 MW of energy, delivered in a fixed 16 hour/day (i.e., 7x16) profile, and a corresponding portion of the environmental attributes (such as, for example, credits, benefits or emissions reductions) associated with this power. Such environmental attributes must meet a requirement specifying a hydropower content of at least 90%. HQUS markets electricity from HQ's generating facilities, whose output is presently well in excess of 90% hydroelectric. The contract lays a foundation that will guarantee GMP continued access to a reliable supply of power from HQ facilities, which should help GMP to maintain its favorable carbon footprint. Deliveries under this purchase commenced on November 1, 2012 and end in 2038. In 2018, the energy volumes under the contract represent an estimated 24% of GMP's projected annual energy requirement, increasing from 22% in 2017. The new HQUS contract does not include capacity, which must be purchased from other parties or left open to market prices.

The Company's contracts with HQ call for the delivery of system power and are not related to any particular facilities in the HQ system. Consequently, there are no identifiable debt-service charges associated with any particular HQ facility that can be distinguished from the overall charges paid under the contracts, and there are no generation plant outage risks, although there are outage risks related to the operation of the transmission system.

### *(c) System Energy Contracts*

The Company enters into system energy purchase contracts with various counterparties in the normal course of its business. The system contracts are usually less than five years in duration and call for firm physical delivery of specified hourly quantities that are not associated with any specific generation source and not subject to outage risk. The counterparties are responsible for acquiring and taking title to the power that is purchased by the Company. The Company presently has in place several system energy purchases for deliveries through 2025, for terms from several months to 5 years.

### *(d) Other Renewable Power Contracts*

The Company has committed to several contracts to purchase output from new renewable power plants, some for periods of up to 35 years, on a plant-contingent basis (the Company receives and pays only for its share of quantities actually generated by the plant). These purchases typically include energy, capacity, and renewable energy certificates and are derived from wind, solar PV, hydroelectric or landfill gas plants. The largest such purchase is a 20-year contract with the Granite Reliable wind project in New Hampshire, which began in April 2012.

### *(e) Next Era Seabrook Purchase*

The Company agreed to purchase long-term energy, capacity and generation attributes from the Seabrook Nuclear Power Plant in New Hampshire owned by Next Era Seabrook LLC. This contract commenced in 2012 All purchases are unit contingent from the Seabrook Nuclear Power Plant beginning at 60 MW, which will decrease to 50 MW over the life of the contract that ends in 2034.

### *(f) Unit Purchases (Nonrenewable)*

Under a long-term contract with Massachusetts Municipal Wholesale Electric Company (MMWEC), the Company is purchasing a percentage of the electrical output of the Stony Brook production plant constructed by MMWEC. The contract obligates the Company to pay certain minimum annual amounts representing the Company's proportionate share of fixed costs, including debt service requirements, whether or not the production plant is operating, for the life of the unit. The cost of power obtained under this long-term contract, including payments required when the production plant is not operating, is included in "purchases from others" in the consolidated statements of income.

### *(g) Kingdom Community Wind*

In October 2012, the Company completed construction and began daily commercial operation of the Kingdom Community Wind project (KCW) a 63-MW wind facility in Lowell. 8 MW of the project's output is being sold to Vermont Electric Cooperative, Inc. under a long-term contract. The remainder is incorporated into the Company's power supply.

### *(h) Nuclear Decommissioning Obligations*

**Millstone Unit #3**: GMP is obligated to pay its share of nuclear decommissioning costs for nuclear plants in which it has an ownership interest. GMP has an external trust dedicated to funding its joint-ownership share of future Millstone Unit #3 decommissioning costs. Dominion Nuclear Connecticut has suspended contributions to the Millstone Unit #3 Trust Fund because the minimum NRC funding requirements have been met or exceeded. GMP also suspended contributions to the Trust Fund, but could choose to renew funding at its own discretion if the minimum requirement is met or exceeded. If a need for additional decommissioning funding is necessary, GMP will be obligated to resume contributions to the Trust Fund.

**Other Yankee Companies**: GMP has equity ownership interests in Maine Yankee, Connecticut Yankee and Yankee Atomic. These plants are permanently shut down and completely decommissioned except for the spent fuel storage at each location. The Company's obligations related to these plants are described in note 4. The balance of GMP's net nuclear decommissioning cost liability was $36 at September 30, 2018. The current and long-term portions of $11 and $25 are included in accounts payable, trade and accrued liabilities and other liabilities. The balance of GMP's net nuclear decommissioning cost liability was $32 at September 30, 2017. The current and long-term portions of $10 and $22 are included in accounts payable, trade and accrued liabilities and other liabilities.

### *(i) Renewable Energy Credits*

During the years ended September 30, 2018 and 2017, the Company received $21,735 and $17,032, respectively, of net revenue from RECs. The Company's RECs for the years ended September 30, 2018 were approximately 22% from Granite Reliable, 11% from McNeil, 1% from Moretown, 18% from KCW, 12% from owned hydro, 9% from Rygate, 3% from Deerfield and 24% from a variety of other sources. In the future, REC revenues may become less certain as Vermont and other states may adjust their renewable policies.

### *(j) Operating Leases*

*(1) Solar and Substation Land Leases*

In March 2018, the Company entered into a long term land lease to accommodate a future substation. The Company also has operating leases which are for leased land to host the Company's solar-related utility plant for solar power production and related activities.

The total minimum payments under the Substation land lease are $1,102. The most significant solar lease is for land at a landfill site used to host a solar farm. The total minimum lease payments under this agreement are $660. As of September 30, 2018, future minimum rental payments required under all noncancelable operating leases are expected to total $1,893, consisting of $53 per year in 2019 through 2023 and $1,628 for years thereafter.

*(2) Other*

Other operating lease commitments are considered minimal, as most are cancelable after one year from inception or the future minimum lease payments are of a nominal amount.

Total rental expense, which includes pole attachment rents in addition to the operating lease agreements described above, amounted to $2,776 and $2,670 for the years ended September 30, 2018 and 2017, respectively. These rental expenses are included in maintenance and other operating expenses on the consolidated statements of income.

### (k) *Iberdrola Renewables Agreement*

In October 2015, The Company signed a twenty-five year purchase power agreement with Iberdrola Renewables to purchase 100% of the output from their 30 MW Deerfield wind facility (Deerfield) being developed in southern Vermont. This contract is unit-contingent meaning that the Company only pays for the actual output of the plant that it receives, which included energy, capacity, and renewable energy certificates. Deerfield began construction in September 2016 and began producing electricity in December 2017. The Company has an option to buy Deerfield at the end of 10 years at a predetermined purchase price of $50 million.

### (l) *Renewable Energy Standard*

GMP is subject to the State of Vermont's policy encouraging the development of renewable energy sources in the State of Vermont as well as the purchase of renewable power by the State's electricity distributors. In December 2011, the Department published its "Comprehensive Energy Plan" setting a goal to have 90.0% of the State of Vermont's energy needs come from renewable sources by the year 2050.

Additionally, in June 2015, the Vermont General Assembly enacted a new renewable energy law establishing a mandatory renewable energy standard for Vermont utilities. This law repeals Vermont's Sustainably Priced Energy Enterprise Development Program (commonly referred to as SPEED) from 2005 and specifically requires that retail electricity providers: (1) have a minimum amount of renewable electricity in their supply portfolios; (2) support relatively small (less than 5 MW) renewable energy projects connected to the Vermont grid; and (3) invest in projects to reduce fossil fuel use for heating and transportation. The resource requirements under the new law began in 2017 based on the calendar year and escalate in quantity each year until 2032. In light of the existing renewable energy sources in its long-term supply portfolio, as well as the availability of renewable energy sources in the region, GMP is well-positioned to comply with the new renewable energy law and is well poised to meet the 2018 goals with the purchase and retirement of RECs, the construction of several small GMP solar projects and capital investments in support of GMP's cold climate heat pump lease program.

### (m) *Hydro Dam Power Contracts*

The Company has executed 25 year purchased power agreements to purchase 100% of the output of 2 hydroelectric power plants. The plants are located in Sheldon Springs, Vermont and LaChute, New York. The Sheldon Springs plant has a nameplate capacity rating of 27MW and the LaChute plant has a nameplate capacity of 9 MW. The agreements require the Company to pay a fixed price per MWh generated plus a fixed monthly capacity payment. The energy and capacity prices escalate by 2% each year. Deliveries under the Sheldon Springs contract began in April 2018. Deliveries under the LaChute contract are pending acceptance of the generation facility to be a wholesale generator by the New York Independent System Operator.

The Company has concluded the purchased power agreements meet the requirements of an operating lease as contained in ASC 840 – *Leases.*

## (17) Environmental Matters

### (a) *General*

The electric industry typically uses or generates a range of potentially hazardous products in its operations. The Company must meet various land, water, air, and aesthetic requirements as administered by local, state, and federal regulatory agencies. The Company believes that it is in substantial compliance with these requirements, and that there are no outstanding material complaints about the Company's compliance with present environmental protection regulations.

### (b) *Pine Street Barge Canal Superfund Site*

In 1999, the Company entered into a United States District Court Consent Decree constituting a final settlement with the United States Environmental Protection Agency (EPA), the State of Vermont and numerous other parties of claims relating to a federal Superfund site in Burlington, Vermont, known as the "Pine Street Barge Canal". The consent decree resolves claims by the EPA for past site costs, natural resource damage claims, and claims for past and future remediation costs. The consent decree also provides for the design and implementation of response actions at the site. As of September 30, 2018 the Company has estimated total costs of the Company's future obligations under the consent decree to be approximately $2,552, net of recoveries. The estimated liability is not discounted, and it is possible that the Company's estimate of future costs could change by a material amount. As of September 30, 2018 and 2017 the Company has recorded a regulatory asset of $9,059 and $9,866, respectively, to reflect unrecovered past and future Pine Street Barge Canal costs. Pursuant to the Company's 2003 Rate Plan, as approved by the VPUC, the Company began to amortize and recover these costs in 2005. The Company will amortize the full amount of incurred costs over 20 years without a return. The amortization is expected to be allowed in current and future rates, without disallowance or adjustment, until fully amortized.

***(c) Clean Power Plan***

In August 2015, the United States Environmental Protection Agency issued a final rule for its proposed Clean Power Plan (CPP), which requires significant reductions in $CO_2$ emissions from existing power plants by 2030. The CPP does not require any emission reductions from Vermont power plants, and GMP's only participation in affected plants is through limited minority participation shares in the Stony Brook and Wyman plants, so GMP does not anticipate that it will incur any material direct costs as a result of the CPP or proposals to make more stringent regulations under that legislation.

***(d) Catamount Indemnifications***

On December 20, 2005, the former CVPS completed the sale of Catamount, its wholly owned subsidiary, to CEC Wind Acquisition, LLC, a company established by Diamond Castle Holdings, a New York-based private equity investment firm. Under the terms of the agreements with Catamount and Diamond Castle Holdings, the former CVPS agreed to indemnify them, and certain of their respective affiliates, in respect of a breach of certain representations and warranties and covenants, most of which ended June 30, 2007, except certain items that customarily survive indefinitely. Environmental indemnifications are subject to a $1,500 deductible and a $15,000 cap, and such environmental representations for only two of Catamount's underlying energy projects survived beyond June 30, 2007. The Company has not recorded any liability related to these indemnifications. To management's knowledge, there is no pending or threatened litigation with the potential to cause material expense.

**(18) Other Contingent Liabilities**

***(a) DOE Litigation – Maine Yankee, Connecticut Yankee and Yankee Atomic***

All three companies have been seeking recovery of fuel storage-related costs stemming from the default of the DOE under the 1983 fuel disposal contracts that were mandated by the United States Congress under the Nuclear Waste Policy Act of 1982. Under the Act, the companies believe the DOE was required to begin removing spent nuclear fuel and greater than Class C waste from the nuclear plants no later than January 31, 1998 in return for payments by each company into the nuclear waste fund. No fuel or greater than Class C waste has been collected by the DOE, and each company's spent fuel is stored at its own site. Maine Yankee, Connecticut Yankee and Yankee Atomic collected the funds from GMP and other wholesale utility customers, under FERC-approved wholesale rates, and GMP's share of these payments was collected from their retail customers. The federal courts issued a series of decisions regarding Phase I damages, and in December 2012, the DOE's right to further appeals expired. Accordingly, the judgment awarding Phase I damages to Maine Yankee, Connecticut Yankee and Yankee Atomic became final. In January 2013 the federal government reimbursed the three companies for the Phase I damages. In June 2013, FERC established the process by which the litigation proceeds are credited and approved refunds through lower wholesale rates to utility customers, effective July 2013. GMP's share of the Phase I damages totaled approximately $3,767. Phase I includes damages for Connecticut Yankee and Yankee Atomic through 2001, and for Maine Yankee through 2002.

Phase II damages were ruled upon in November of 2013, and the DOE did not appeal. GMP's share of these funds, totaling $5,700, was received in June 2014.

A complaint for Phase III damages was filed in August 2013. A trial was held from June 30 through July 2, 2015. A favorable decision awarding 98.6% of damages requested was issued in March 2016 and the Government has not appealed the decision. The Company received $1,568 in 2017 which was returned to customers through the PSA.

A complaint for Phase IV damages was filed in May 2017 for damages through 2016. Discovery is ongoing, and a trial is scheduled for January 2019.

Due to the complexity of these issues and the potential for further appeals, the three companies cannot predict the timing of the final determinations or the amount of damages that will actually be received. Each of the companies' respective FERC settlements requires that damage payments, net of taxes and further spent fuel trust funding, if any, be credited to wholesale ratepayers including GMP. The Company expects that its share of these awards, if any, would be credited to retail customers.

### *(b) Nuclear Insurance*

The Price-Anderson Act provides a framework for immediate, no-fault insurance coverage for the public in the event of a nuclear power plant accident that is deemed an extraordinary nuclear occurrence by the NRC. The primary level provides liability insurance coverage of $450,000, or the maximum private insurance available. If this amount is not sufficient to cover claims arising from an accident, the second level applies offering additional coverage up to $12.604 billion per incident. For the second level, each operating nuclear plant must pay a retrospective premium equal to its proportionate share of the excess loss, up to a maximum of $127,317 per reactor per incident, limited to a maximum annual payout of $19,000 per reactor. These assessments will be adjusted for inflation and the U.S. Congress can modify or increase the insurance liability coverage limits at any time through legislation. Currently, based on the GMP's joint-ownership interest in Millstone, the Company could become liable for expenses of approximately $328 of such maximum assessment per incident per year. Maine Yankee, Connecticut Yankee and Yankee Atomic maintain $100,000 in Nuclear Liability Insurance, but have received exemptions from participating in the secondary financial protection program.

### *(c) Other Legal Matters*

The Company does not expect any litigation to result in a material adverse effect on its operating results or financial condition.

## (19) Related-Party and Associated Company Transactions

Effective April 12, 2007, GMP became related to Vermont Gas Systems (VGS) when the Company was acquired by NNEEC. The rates at which the Company buys gas for facility heating from VGS and the rates at which VGS buys electricity from the Company are regulated and required to be transacted at rates approved by the VPUC, and applicable to similar customers of similar usage, and amounts are insignificant and immaterial with respect to these regulated revenues. VGS is also a responsible party in the Pine Street Barge Canal Superfund Site and remits funds related to this matter annually to the Company. Payments totaling $50 and $12 were received for the Pine Street Barge Canal Superfund Site during the years ended September 30, 2018 and 2017, respectively, and there were no other transactions between VGS and the Company during the years ended September 30, 2018 and 2017.

The following table summarizes account receivable and payable balances from and to affiliated companies.

| | | Accounts receivable | Accounts payable | Net receivable (payable) |
|---|---|---|---|---|
| At September 30, 2018: | | | | |
| NNEEC | $ | 27 | — | 27 |
| Connecticut Yankee Atomic Power Company | | 5 | — | 5 |
| Transco | | 784 | — | 784 |
| Total | $ | 816 | — | 816 |

| | | Accounts receivable | Accounts payable | Net receivable (payable) |
|---|---|---|---|---|
| At September 30, 2017: | | | | |
| NNEEC | $ | 19 | — | 19 |
| Connecticut Yankee Atomic Power Company | | 3 | — | 3 |
| Transco | | 12 | 30,679 | (30,667) |
| Total | $ | 34 | 30,679 | (30,645) |

## (20) Concentration Risks

### *(a) HQ and NextEra Power Supply Contracts*

The Company's material power supply contracts are principally with HQ and NextEra. HQ contracts are expected to meet from 23% to 25% of the Company's anticipated annual demand requirements through 2035. Beginning in 2015, the NextEra contract, representing unit contingent purchases from the Seabrook Nuclear Power Plant, is at 60 MW and will decrease to 50 MW, and will meet between 7% and 11% of the Company's annual demand requirements over the life of the contract that ends in 2034. Under the Company's Alternative Regulation Plan, there is a power supply adjustment mechanism to minimize the risk of rising power supply costs.

### *(b) Collective Bargaining*

At September 30, 2018 and 2017, GMP had 519 and 533 employees, respectively. Of these employees, at September 30, 2018 and 2017, 286 and 290, respectively, were represented by Local Union No. 300, affiliated with the International Brotherhood of Electrical Workers. On January 14, 2013, the Company agreed to a new five-year contract with its employees represented by the union, which was effective on January 1, 2013 and expired on December 31, 2017. On August 8, 2017, the Company agreed to a new five-year contract with its employees represented by the union, which was effective on January 1, 2018 and expires on December 31, 2022.

## (21) Supplemental Cash Flow Information

Supplemental cash flow information for the years ended September 30, 2018 and 2017 are as follows:

| | | 2018 | 2017 |
|---|---|---|---|
| Cash paid for: | | | |
| Interest | $ | 41,519 | 36,917 |
| Income taxes paid, net | | 2 | 704 |
| Supplemental disclosures of noncash information: | | | |
| Decrease in unfunded pension and other postretirement benefit obligations | | (14,795) | (3,698) |
| Plant addition for allowance for equity funds used during construction | | 1,143 | 1,353 |
| Noncash utility plant in accounts payable | | 5,121 | 8,853 |
| Investment in Transco included in due to associated companies and related parties | | — | 32,369 |

**(22) Noncontrolling Equity of GMP VT Solar LLC**

The Company formed GMP Solar on November 17, 2015 to construct, operate and maintain, through wholly owned limited liability companies (each, a Project Company, together, the Project Companies), 5 solar generating facilities located throughout Vermont. On May 4, 2016, the Company executed an Equity Capital Contribution Agreement with a tax equity partner (the Tax Equity Partner) to fund the cost to construct the 5 facilities. All 5 projects were placed in service by December 31, 2016. The Company has invested $41,990 and the Tax Equity Partner has invested $20,264 into GMP Solar.

The terms and conditions of the various agreements executed in connection with this investment are customary terms and conditions for a tax equity investment. GMP is entitled to 1% of GMP Solar's profits, losses, deductions, and credits for the first five years, and 95% of each such item for the remaining term of GMP Solar. The Tax Equity Partner is entitled to 99% of GMP Solar's profits, losses, deductions, and credits for the first five years, and 5% of each such item thereafter. This change in sharing ratios is referred to as a "partnership flip" structure, because the allocations of all partnership items "flip" from 1% to 95% (with the Tax Equity Partner's allocable share flipping from 99% down to 5%).

The Company has the option to purchase at fair market value the Tax Equity Partner's ownership interest in GMP Solar. The option can be exercised during a 6-month period beginning 5 years after the last day any energy property was placed in service.

GMP Solar is taxed as a partnership, and therefore income taxes are the responsibility of GMP Solar's members.

The Company is the managing member of GMP Solar pursuant to GMP Solar's operating agreement. As managing member GMP will conduct, direct and exercise control over all activities of GMP Solar, and shall have full power and authority on behalf of GMP Solar to manage and administer the business and affairs of GMP Solar.

In consideration for the services provided by the Company to GMP Solar and the Project Companies in connection with the development, construction and installation of the solar energy facilities, the Project Companies paid the Company a $5,619 development fee.

Certain Project Companies have executed leases with various third parties to lease the land upon which three solar generation facilities will be built. The remaining two leases were executed by and among the relevant Project Company, as tenant, and the Company, as the owner of the land.

The Company has executed purchase power agreements with the Project Companies. The term of each of the agreements is 25 years, and the Company will pay a fixed price per kWh and receive all power output produced by the facilities.

Certain risks exist with respect to the Company's investment in and management of GMP Solar, including exposure to operating cost risk, revenue risk created by variations in kWh produced by the projects and investment tax credit (ITC) risk associated with the projects not meeting the ITC eligibility requirements.

The Company determined GMP Solar to be a VIE under ASC 810. The Company concluded it is the primary beneficiary of GMP Solar, therefore, the Company consolidates GMP Solar.

The Company follows Financial Accounting Standards Board ASC Subtopic 810-10, *Consolidation – Overall*, which requires certain noncontrolling interests to be classified in the consolidated statements of income as part of consolidated net earnings and to include the accumulated amount of noncontrolling interests in the consolidated balance sheets as part of capitalization.

Summarized GMP Solar financial information follows:

| | | Year ended September 30 | |
|---|---|---|---|
| | | 2018 | 2017 |
| Net income (loss) | $ | 721 | (397) |
| Allocation of net income (loss) to partners: | | | |
| Green Mountain Power | | (507) | 18,341 |
| Tax equity partner | | 1,227 | (18,738) |
| Total assets | $ | 59,532 | 61,342 |
| Total liabilities | | 2,178 | 1,794 |

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Green Mountain Power Corp | (1) [X] An Original<br>(2) [ ] A Resubmission | 09/30/2018 | End of 2018/Q3 |

## STATEMENTS OF ACCUMULATED COMPREHENSIVE INCOME, COMPREHENSIVE INCOME, AND HEDGING ACTIVITIES

1. Report in columns (b),(c),(d) and (e) the amounts of accumulated other comprehensive income items, on a net-of-tax basis, where appropriate.
2. Report in columns (f) and (g) the amounts of other categories of other cash flow hedges.
3. For each category of hedges that have been accounted for as "fair value hedges", report the accounts affected and the related amounts in a footnote.
4. Report data on a year-to-date basis.

| Line No. | Item<br>(a) | Unrealized Gains and Losses on Available-for-Sale Securities<br>(b) | Minimum Pension Liability adjustment (net amount)<br>(c) | Foreign Currency Hedges<br>(d) | Other Adjustments<br>(e) |
|---|---|---|---|---|---|
| 1 | Balance of Account 219 at Beginning of Preceding Year | | | | |
| 2 | Preceding Qtr/Yr to Date Reclassifications from Acct 219 to Net Income | | | | |
| 3 | Preceding Quarter/Year to Date Changes in Fair Value | | | | |
| 4 | Total (lines 2 and 3) | | | | |
| 5 | Balance of Account 219 at End of Preceding Quarter/Year | | | | |
| 6 | Balance of Account 219 at Beginning of Current Year | | | | |
| 7 | Current Qtr/Yr to Date Reclassifications from Acct 219 to Net Income | | | | |
| 8 | Current Quarter/Year to Date Changes in Fair Value | | | | |
| 9 | Total (lines 7 and 8) | | | | |
| 10 | Balance of Account 219 at End of Current Quarter/Year | | | | |

## STATEMENTS OF ACCUMULATED COMPREHENSIVE INCOME, COMPREHENSIVE INCOME, AND HEDGING ACTIVITIES

| Line No. | Other Cash Flow Hedges Interest Rate Swaps (f) | Other Cash Flow Hedges [Insert Footnote at Line 1 to specify] (g) | Totals for each category of items recorded in Account 219 (h) | Net Income (Carried Forward from Page 117, Line 78) (i) | Total Comprehensive Income (j) |
|---|---|---|---|---|---|
| 1 | | | | | |
| 2 | | | | | |
| 3 | | | | | |
| 4 | | | | 53,341,817 | 53,341,817 |
| 5 | | | | | |
| 6 | | | | | |
| 7 | | | | | |
| 8 | | | | | |
| 9 | | | | 56,013,709 | 56,013,709 |
| 10 | | | | | |

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Green Mountain Power Corp | (1) [X] An Original<br>(2) [ ] A Resubmission | 09/30/2018 | End of 2018/Q3 |

## SUMMARY OF UTILITY PLANT AND ACCUMULATED PROVISIONS FOR DEPRECIATION. AMORTIZATION AND DEPLETION

Report in Column (c) the amount for electric function, in column (d) the amount for gas function, in column (e), (f), and (g) report other (specify) and in column (h) common function.

| Line No. | Classification (a) | Total Company for the Current Year/Quarter Ended (b) | Electric (c) |
|---|---|---|---|
| 1 | Utility Plant | | |
| 2 | In Service | | |
| 3 | Plant in Service (Classified) | 1,782,712,589 | 1,782,712,589 |
| 4 | Property Under Capital Leases | | |
| 5 | Plant Purchased or Sold | 16,374,450 | 16,374,450 |
| 6 | Completed Construction not Classified | -10,573 | -10,573 |
| 7 | Experimental Plant Unclassified | | |
| 8 | Total (3 thru 7) | 1,799,076,466 | 1,799,076,466 |
| 9 | Leased to Others | | |
| 10 | Held for Future Use | 42,820 | 42,820 |
| 11 | Construction Work in Progress | 51,258,104 | 51,258,104 |
| 12 | Acquisition Adjustments | 22,951,227 | 22,951,227 |
| 13 | Total Utility Plant (8 thru 12) | 1,873,328,617 | 1,873,328,617 |
| 14 | Accum Prov for Depr, Amort, & Depl | 659,939,767 | 659,939,767 |
| 15 | Net Utility Plant (13 less 14) | 1,213,388,850 | 1,213,388,850 |
| 16 | Detail of Accum Prov for Depr, Amort & Depl | | |
| 17 | In Service: | | |
| 18 | Depreciation | 609,787,460 | 609,787,460 |
| 19 | Amort & Depl of Producing Nat Gas Land/Land Right | | |
| 20 | Amort of Underground Storage Land/Land Rights | | |
| 21 | Amort of Other Utility Plant | 34,937,076 | 34,937,076 |
| 22 | Total In Service (18 thru 21) | 644,724,536 | 644,724,536 |
| 23 | Leased to Others | | |
| 24 | Depreciation | | |
| 25 | Amortization and Depletion | | |
| 26 | Total Leased to Others (24 & 25) | | |
| 27 | Held for Future Use | | |
| 28 | Depreciation | | |
| 29 | Amortization | | |
| 30 | Total Held for Future Use (28 & 29) | | |
| 31 | Abandonment of Leases (Natural Gas) | | |
| 32 | Amort of Plant Acquisition Adj | 15,215,231 | 15,215,231 |
| 33 | Total Accum Prov (equals 14) (22,26,30,31,32) | 659,939,767 | 659,939,767 |

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|---|---|---|---|
| Green Mountain Power Corp | (1) [X] An Original<br>(2) [ ] A Resubmission | 09/30/2018 | End of 2018/Q3 |

## SUMMARY OF UTILITY PLANT AND ACCUMULATED PROVISIONS FOR DEPRECIATION. AMORTIZATION AND DEPLETION

| Gas (d) | Other (Specify) (e) | Other (Specify) (f) | Other (Specify) (g) | Common (h) | Line No. |
|---|---|---|---|---|---|
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## ELECTRIC PLANT IN SERVICE AND ACCUMULATED PROVISION FOR DEPRECIATION BY FUNCTION

1. Report below the original cost of plant in service by function. In addition to Account 101, include Account 102, and Account 106. Report in column (b) the original cost of plant in service and in column(c) the accumulated provision for depreciation and amortization by function.

| Line No. | Item<br>(a) | Plant in Service Balance at End of Quarter<br>(b) | Accumulated Depreciation and Amortization Balance at End of Quarter<br>(c) |
|---|---|---|---|
| 1 | Intangible Plant | 67,248,489 | 34,862,864 |
| 2 | Steam Production Plant | 35,936,569 | 32,904,383 |
| 3 | Nuclear Production Plant | 83,074,882 | 49,376,051 |
| 4 | Hydraulic Production - Conventional | 232,680,424 | 66,443,966 |
| 5 | Hydraulic Production - Pumped Storage | | |
| 6 | Other Production | 201,382,798 | 68,160,623 |
| 7 | Transmission | 185,601,932 | 55,358,619 |
| 8 | Distribution | 860,251,135 | 302,119,702 |
| 9 | Regional Transmission and Market Operation | | |
| 10 | General | 132,943,057 | 35,498,328 |
| 11 | TOTAL (Total of lines 1 through 10) | 1,799,119,286 | 644,724,536 |

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|---|---|---|---|
| Green Mountain Power Corp | (1) [X] An Original<br>(2) [ ] A Resubmission | 09/30/2018 | End of 2018/Q3 |

## Transmission Service and Generation Interconnection Study Costs

1. Report the particulars (details) called for concerning the costs incurred and the reimbursements received for performing transmission service and generator interconnection studies.
2. List each study separately.
3. In column (a) provide the name of the study.
4. In column (b) report the cost incurred to perform the study at the end of period.
5. In column (c) report the account charged with the cost of the study.
6. In column (d) report the amounts received for reimbursement of the study costs at end of period.
7. In column (e) report the account credited with the reimbursement received for performing the study.

| Line No. | Description (a) | Costs Incurred During Period (b) | Account Charged (c) | Reimbursements Received During the Period (d) | Account Credited With Reimbursement (e) |
|---|---|---|---|---|---|
| 1 | **Transmission Studies** | | | | |
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| 21 | **Generation Studies** | | | | |
| 22 | Apple Hill 2 MW Solar SIS | 8,092 | 235 | | |
| 23 | Chelsea 2 MW Solar SIS | ( 36,925) | 235 | | |
| 24 | GMP Solar- Richmond SIS | ( 18,000) | 235 | | |
| 25 | SBVT Landfill Facilities Study | ( 8,836) | 235 | | |
| 26 | Wilder 4.9MW NAG26 CKT SIS | ( 4,568) | 235 | | |
| 27 | Wilder 4.9MW NAG26 CKT Fac Study | ( 7,435) | 235 | | |
| 28 | Ski Bowl Solar Fac Study | ( 9,575) | 235 | | |
| 29 | PSVTFI (BRATT LANDFILL) SIS | ( 5,135) | 235 | | |
| 30 | PSVTFI (BRATT LANDFILL) Fac Study | ( 6,459) | 235 | | |
| 31 | Sybac Solar 2.2MW MI-G37 Fac Study | ( 8,114) | 235 | | |
| 32 | NGRID PSVTFI SIS | ( 1,170) | 235 | | |
| 33 | Norwich Tech-BFG-62 Fac | ( 9,069) | 235 | | |
| 34 | TDI SIS Subtran#2 no QP498 SIS | | | 35,000 | 235 |
| 35 | Green Peak WYG81 SIS | ( 2,169) | 235 | | |
| 36 | Gilman Renew Solar FAC G62 | 185 | 235 | | |
| 37 | QP753 Sheldon Solar FEAS | 297 | 235 | | |
| 38 | QP751 Randolph Ctr Solar FEAS | 297 | 235 | | |
| 39 | QP751 Randolph Ctr Solar SIS | 136 | 235 | | |
| 40 | FOR WEC-Williamstown FAC ST | ( 9,305) | 235 | | |
| | | | | | |

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Green Mountain Power Corp | (1) [X] An Original<br>(2) [ ] A Resubmission | 09/30/2018 | End of 2018/Q3 |

## Transmission Service and Generation Interconnection Study Costs (continued)

| Line No. | Description (a) | Costs Incurred During Period (b) | Account Charged (c) | Reimbursements Received During the Period (d) | Account Credited With Reimbursement (e) |
|---|---|---|---|---|---|
| 1 | **Transmission Studies** | | | | |
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| 21 | **Generation Studies** | | | | |
| 22 | Feas-Acorn Energy-LJ-G12 | ( 249) | 235 | | |
| 23 | Trout Brook SIS WM-G91 | 23,964 | 235 | | |
| 24 | Norwich Tech-WIG31 FEAS | | | 1,052 | 235 |
| 25 | Norwich Tech TA-G12 FEAS | 983 | 235 | | |
| 26 | Sand Hill 33Y4 FEAS | 192 | 235 | 1,000 | 235 |
| 27 | Conti Enterprise FEAS BR-G71 | ( 8,027) | | 12,315 | 235 |
| 28 | QP660 Vernon Solar FEAS | 1,270 | | 985 | 235 |
| 29 | QP676 Claremont Solar FEAS | 1,645 | 235 | 1,482 | 235 |
| 30 | QP674 Shaftsbury Solar FEAS | 1,645 | 235 | 1,482 | 235 |
| 31 | QP680 Fair Haven Solar SIS | 2,257 | 235 | | |
| 32 | Sunny Acres BAY-G4 FEAS | 2,255 | 235 | 10,000 | 235 |
| 33 | Norwich Tech Depot WI-G11 FEAS | | | 1,578 | 235 |
| 34 | Norwich RSD Bldg WRJ 70-G3 FAC | 463 | 235 | | |
| 35 | Catamount Solar RI-G68 FEAS | | | 1,091 | 235 |
| 36 | E.Barre Co. Batt 61G2 SIS | 32,193 | 235 | 10,000 | 235 |
| 37 | Eddy Rd Solar CH-G10 FEAS | 388 | 235 | 1,387 | 235 |
| 38 | Wallingford Solar WF-G23 FEAS | 1,786 | 235 | 10,294 | |
| 39 | groSolar (Greenbush) 45G1 SIS | 25,564 | 235 | | |
| 40 | Sandlot Solar HY-G24 FEAS | 635 | 235 | 10,000 | 235 |

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Green Mountain Power Corp | (1) [X] An Original<br>(2) [ ] A Resubmission | 09/30/2018 | End of 2018/Q3 |

Transmission Service and Generation Interconnection Study Costs (continued)

| Line No. | Description (a) | Costs Incurred During Period (b) | Account Charged (c) | Reimbursements Received During the Period (d) | Account Credited With Reimbursement (e) |
|---|---|---|---|---|---|
| 1 | **Transmission Studies** | | | | |
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| 21 | **Generation Studies** | | | | |
| 22 | SolarSenseVT XV BR-G71 FEAS | 4,013 | 235 | 100,000 | 235 |
| 23 | Middle Road Solar MI-G36 FEAS | ( 1,754) | 235 | | |
| 24 | Royalton Town GLC BE-G28 FEAS | 1,014 | 235 | 1,176 | 235 |
| 25 | Apple Hill/Chelsea MS-G50 SIS | 26,086 | 235 | 24,000 | 235 |
| 26 | BP Ascutney 2 NS-G63 FEAS | 2,687 | 235 | 1,000 | 235 |
| 27 | OC Solar (Stark) SK-G59 SIS | 10,019 | 235 | 30,000 | 235 |
| 28 | OC Solar (Warner) SK-G59 SIS | 9,906 | 235 | 30,000 | 235 |
| 29 | SSVT XVIII BR-G71 FEAS | 3,166 | 235 | 11,000 | 235 |
| 30 | IMPEY BAY-G5 FEAS | ( 2,932) | 235 | 45,000 | 235 |
| 31 | Forgues Wind 9G2 FEAS | 3,326 | 235 | 4,000 | 235 |
| 32 | Ascutney Heights WI-G11 FEAS | 1,894 | 235 | 1,000 | 235 |
| 33 | LVF Ferry Rd Solar WI-G31 FEAS | 6,813 | 235 | 6,000 | 235 |
| 34 | Starksboro Landfill LLC | 2,942 | 235 | | |
| 35 | SSVT XXIII 56G1 FEAS | 1,597 | 235 | 1,000 | 235 |
| 36 | SSVT XXIV NE-G16 FEAS | 3,812 | 235 | 1,000 | 235 |
| 37 | Solar Strat CH-G11 FEAS | 2,450 | 235 | 1,000 | 235 |
| 38 | VEC Jericho Solar FEAS | 3,422 | 235 | 1,000 | 235 |
| 39 | Troy Minerals WF-G23 FEAS | 98 | 235 | 1,000 | 235 |
| 40 | Noffo-Kahn WK-G81 FEAS | 922 | 235 | | |
| | | | | | |

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Green Mountain Power Corp | (1) [X] An Original<br>(2) [ ] A Resubmission | 09/30/2018 | End of 2018/Q3 |

Transmission Service and Generation Interconnection Study Costs (continued)

| Line No. | Description (a) | Costs Incurred During Period (b) | Account Charged (c) | Reimbursements Received During the Period (d) | Account Credited With Reimbursement (e) |
|---|---|---|---|---|---|
| 1 | **Transmission Studies** | | | | |
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| 21 | **Generation Studies** | | | | |
| 22 | GMP MicroGrid Essex 33Y4 SIS | 28,759 | 235 | | |
| 23 | Windsor Tech Park WI-G11 FEAS | 1,664 | 235 | 1,000 | 235 |
| 24 | MHG Solar (Rt 149) PA-G20 FEAS | 4,802 | 235 | 1,000 | 235 |
| 25 | MHG Solar (Benn) LS-G61 FEAS | 1,797 | 235 | 2,000 | 235 |
| 26 | QP673 Davenport Solar | 223 | 235 | | |
| 27 | Triland (Thomas D) NR-G33 FEAS | 2,017 | 235 | 1,000 | 235 |
| 28 | Rainville Farm SD-G10 FEAS | 3,264 | 235 | 1,000 | 235 |
| 29 | MHG (Blissville) HY-G24 FEAS | 96 | 235 | 1,000 | 235 |
| 30 | NE Precision PS-G42 FEAS | 2,189 | 235 | 1,000 | 235 |
| 31 | GroSolar (Halladay) EM-G75 SIS | 24,647 | 235 | 25,000 | 235 |
| 32 | NFD Comm Solar - 71G1 - FEAS | 4,747 | 235 | 1,000 | 235 |
| 33 | Clarendon GLC WR-G24 FEAS | 677 | 235 | 1,000 | 235 |
| 34 | Vern West Rd II GLC 57G1 FEAS | 1,598 | 235 | 1,000 | 235 |
| 35 | Sunny Acres Edgewd RI-G66 FEAS | 1,720 | 235 | 1,000 | 235 |
| 36 | TDI Phase III SIS | 10,687 | 235 | 150,495 | 235 |
| 37 | TDI Alternatives to Recond | 7,169 | 235 | 29,595 | 235 |
| 38 | QP627 Granite State SIS ISO | | | 6,749 | 235 |
| 39 | Newbury GLC 83G2 FAC | 485 | 235 | | |
| 40 | Castleton GLC CA-G37 FEAS | 1,559 | 235 | 1,000 | 235 |
| | | | | | |

Transmission Service and Generation Interconnection Study Costs (continued)

| Line No. | Description (a) | Costs Incurred During Period (b) | Account Charged (c) | Reimbursements Received During the Period (d) | Account Credited With Reimbursement (e) |
|---|---|---|---|---|---|
| 1 | **Transmission Studies** | | | | |
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| 21 | **Generation Studies** | | | | |
| 22 | BDE Addison Lazar WY-G81 FEAS | 2,022 | 235 | 1,000 | 235 |
| 23 | Great Bear Realty WI-G11 FEAS | 1,253 | 235 | 1,000 | 235 |
| 24 | WCMH (Beckley) 26G1 FEAS | 2,121 | 235 | 1,000 | 235 |
| 25 | WCMH (Cano) 40G5 FEAS | 704 | 235 | 1,000 | 235 |
| 26 | St J Sch (Breezy) SJ-G63 FEAS | 610 | 235 | 1,000 | 235 |
| 27 | Aegis (Sudbury) LJ-G13 FEAS | 2,126 | 235 | 1,000 | 235 |
| 28 | MHG Solar (High Rd) SP-J1 FEAS | 1,767 | 235 | 1,000 | 235 |
| 29 | Addison NW School 9G2 FEAS | 826 | 235 | | |
| 30 | Tri Thomas Dairy I NR-G33 FEAS | 1,455 | 235 | 1,000 | 235 |
| 31 | North Hartland Solar 70G1 FEAS | 2,706 | 235 | 1,000 | 235 |
| 32 | Stratified Stone FH-J28 FEAS | 1,414 | 235 | 1,000 | 235 |
| 33 | South Ridge Solar M-G27 FEAS | 2,040 | 235 | 1,000 | 235 |
| 34 | Malone Hull Prop FEAS PS-G42 | 2,026 | 235 | 1,000 | 235 |
| 35 | ER Verulamium FEAS NE-G16 | 4,898 | 235 | 1,000 | 235 |
| 36 | WMG FEAS BF-G63 | 1,443 | 235 | 1,000 | 235 |
| 37 | Barnard Project I SIS EB-Y38 | 1,651 | 235 | 25,000 | 235 |
| 38 | W&C Kendall 40G5 FEAS | | | 1,000 | 235 |
| 39 | East New Haven GLC FEAS WY-G80 | 1,091 | 235 | | |
| 40 | East New Haven GLC FEAS WY-G80 | 41 | 235 | 1,000 | 235 |
| | | | | | |

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Green Mountain Power Corp | (1) [X] An Original<br>(2) [ ] A Resubmission | 09/30/2018 | End of 2018/Q3 |

Transmission Service and Generation Interconnection Study Costs (continued)

| Line No. | Description (a) | Costs Incurred During Period (b) | Account Charged (c) | Reimbursements Received During the Period (d) | Account Credited With Reimbursement (e) |
|---|---|---|---|---|---|
| 1 | **Transmission Studies** | | | | |
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| 21 | **Generation Studies** | | | | |
| 22 | Granger Enterprses GT-G47 FEAS | 82 | 235 | 1,000 | 235 |
| 23 | MRRC BIO M-G26 SIS | | | 25,000 | 235 |
| 24 | Ryegate Solar PV/BESS 34.5 SIS | | | 35,000 | 235 |
| 25 | | | | | |
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| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Green Mountain Power Corp | (1) [X] An Original<br>(2) [ ] A Resubmission | 09/30/2018 | End of 2018/Q3 |

## OTHER REGULATORY ASSETS (Account 182.3)

1. Report below the particulars (details) called for concerning other regulatory assets, including rate order docket number, if applicable.
2. Minor items (5% of the Balance in Account 182.3 at end of period, or amounts less than $100,000 which ever is less), may be grouped by classes.
3. For Regulatory Assets being amortized, show period of amortization.

| Line No. | Description and Purpose of Other Regulatory Assets (a) | Balance at Beginning of Current Quarter/Year (b) | Debits (c) | CREDITS: Written off During the Quarter /Year Account Charged (d) | CREDITS: Written off During the Period Amount (e) | Balance at end of Current Quarter/Year (f) |
|---|---|---|---|---|---|---|
| 1 | Future revenue due to income taxes | 47,154 | | 282 | 2,813 | 44,341 |
| 2 | Current revenue due to income taxes | | | | | |
| 3 | Asset Retirement | 255,355 | | 108/407 | 7,738 | 247,617 |
| 4 | St Albans Digester | 437,384 | | 426 | 437,384 | |
| 5 | VMPD Value Sharing | 48,930 | | 407 | 24,465 | 24,465 |
| 6 | Depreciation Study - 4 yrs | 70,344 | 7,215 | 407 | 3,542 | 74,017 |
| 7 | Deerfield Wind | 104,523 | | 407 | 52,261 | 52,262 |
| 8 | Reduction in Transco Earnings due to tax reform | 7,208,569 | 2,868,271 | | | 10,076,840 |
| 9 | | | | | | |
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| 43 | | | | | | |
| 44 | **TOTAL :** | 8,172,259 | 2,875,486 | | 528,203 | 10,519,542 |

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Green Mountain Power Corp | (1) [X] An Original<br>(2) [ ] A Resubmission | 09/30/2018 | End of 2018/Q3 |

## OTHER REGULATORY LIABILITIES (Account 254)

1. Report below the particulars (details) called for concerning other regulatory liabilities, including rate order docket number, if applicable.
2. Minor items (5% of the Balance in Account 254 at end of period, or amounts less than $100,000 which ever is less), may be grouped by classes.
3. For Regulatory Liabilities being amortized, show period of amortization.

| Line No. | Description and Purpose of Other Regulatory Liabilities<br>(a) | Balance at Begining of Current Quarter/Year<br>(b) | DEBITS Account Credited<br>(c) | DEBITS Amount<br>(d) | Credits<br>(e) | Balance at End of Current Quarter/Year<br>(f) |
|---|---|---|---|---|---|---|
| 1 | Future Revenue Due to Income Taxes | 321,565 | 190 | | 227 | 321,792 |
| 2 | Current Revenue Due to Income Taxes | | | | | |
| 3 | SFAS109 Reg Liab TCAJA Protected | 86,064,837 | 191/282/283 | | 1,707,246 | 87,772,083 |
| 4 | SFAS109 Reg Liab TCAJA Transco | 64,334,242 | 191/282/283 | 158,261 | | 64,175,981 |
| 5 | SFAS109 Reg Liab TCAJA Other Regulated | 26,010,951 | 191/282/283 | 415,296 | | 25,595,655 |
| 6 | SFAS109 Reg Liab TCAJA Non Regulated | 549,232 | 191/282/283 | 549,232 | | |
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| 40 | | | | | | |
| 41 | TOTAL | 177,280,827 | | 1,122,789 | **************** | 177,865,511 |

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Green Mountain Power Corp | (1) [X] An Original<br>(2) [ ] A Resubmission | 09/30/2018 | End of 2018/Q3 |

## ELECTRIC OPERATING REVENUES (Account 400)

1. The following instructions generally apply to the annual version of these pages. Do not report quarterly data in columns (c), (e), (f), and (g). Unbilled revenues and MWH related to unbilled revenues need not be reported separately as required in the annual version of these pages.
2. Report below operating revenues for each prescribed account, and manufactured gas revenues in total.
3. Report number of customers, columns (f) and (g), on the basis of meters, in addition to the number of flat rate accounts; except that where separate meter readings are added for billing purposes, one customer should be counted for each group of meters added. The -average number of customers means the average of twelve figures at the close of each month.
4. If increases or decreases from previous period (columns (c),(e), and (g)), are not derived from previously reported figures, explain any inconsistencies in a footnote.
5. Disclose amounts of $250,000 or greater in a footnote for accounts 451, 456, and 457.2.

| Line No. | Title of Account<br>(a) | Operating Revenues Year to Date Quarterly/Annual<br>(b) | Operating Revenues Previous year (no Quarterly)<br>(c) |
|---|---|---|---|
| 1 | Sales of Electricity | | |
| 2 | (440) Residential Sales | 204,711,991 | 185,163,541 |
| 3 | (442) Commercial and Industrial Sales | | |
| 4 | Small (or Comm.) (See Instr. 4) | 173,646,492 | 160,888,984 |
| 5 | Large (or Ind.) (See Instr. 4) | 88,739,201 | 84,717,726 |
| 6 | (444) Public Street and Highway Lighting | 1,863,109 | 1,854,443 |
| 7 | (445) Other Sales to Public Authorities | 382 | 305 |
| 8 | (446) Sales to Railroads and Railways | | |
| 9 | (448) Interdepartmental Sales | | |
| 10 | TOTAL Sales to Ultimate Consumers | 468,961,175 | 432,624,999 |
| 11 | (447) Sales for Resale | 38,991,593 | 10,237,325 |
| 12 | TOTAL Sales of Electricity | 507,952,768 | 442,862,324 |
| 13 | (Less) (449.1) Provision for Rate Refunds | 4,839,098 | -11,336,693 |
| 14 | TOTAL Revenues Net of Prov. for Refunds | 503,113,670 | 454,199,017 |
| 15 | Other Operating Revenues | | |
| 16 | (450) Forfeited Discounts | 728,093 | 706,472 |
| 17 | (451) Miscellaneous Service Revenues | 2,034,521 | 1,584,698 |
| 18 | (453) Sales of Water and Water Power | | |
| 19 | (454) Rent from Electric Property | 4,461,175 | 3,923,258 |
| 20 | (455) Interdepartmental Rents | | |
| 21 | (456) Other Electric Revenues | 18,720,621 | 13,426,521 |
| 22 | (456.1) Revenues from Transmission of Electricity of Others | 7,000,894 | 11,160,699 |
| 23 | (457.1) Regional Control Service Revenues | | |
| 24 | (457.2) Miscellaneous Revenues | | |
| 25 | | | |
| 26 | TOTAL Other Operating Revenues | 32,945,304 | 30,801,648 |
| 27 | TOTAL Electric Operating Revenues | 536,058,974 | 485,000,665 |

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Green Mountain Power Corp | (1) [X] An Original<br>(2) [ ] A Resubmission | 09/30/2018 | End of 2018/Q3 |

## ELECTRIC OPERATING REVENUES (Account 400)

6. Commercial and industrial Sales, Account 442, may be classified according to the basis of classification (Small or Commercial, and Large or Industrial) regularly used by the respondent if such basis of classification is not generally greater than 1000 Kw of demand. (See Account 442 of the Uniform System of Accounts. Explain basis of classification in a footnote.)
7. See pages 108-109, Important Changes During Period, for important new territory added and important rate increase or decreases.
8. For Lines 2,4,5,and 6, see Page 304 for amounts relating to unbilled revenue by accounts.
9. Include unmetered sales. Provide details of such Sales in a footnote.

| MEGAWATT HOURS SOLD | | AVG.NO. CUSTOMERS PER MONTH | | Line No. |
|---|---|---|---|---|
| Year to Date Quarterly/Annual (d) | Amount Previous year (no Quarterly) (e) | Current Year (no Quarterly) (f) | Previous Year (no Quarterly) (g) | |
| | | | | 1 |
| 1,140,840 | | | 1,086,848 | 2 |
| | | | | 3 |
| 1,154,238 | | | 1,129,457 | 4 |
| 861,247 | | | 867,702 | 5 |
| 2,965 | | | 3,277 | 6 |
| | | | 21 | 7 |
| | | | | 8 |
| | | | | 9 |
| 3,159,290 | | | 3,087,305 | 10 |
| 927,384 | | | 401,927 | 11 |
| 4,086,674 | | | 3,489,232 | 12 |
| | | | | 13 |
| 4,086,674 | | | 3,489,232 | 14 |

Line 12, column (b) includes $ -6,756,154 of unbilled revenues.

Line 12, column (d) includes -48,080 MWH relating to unbilled revenues

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Green Mountain Power Corp | (1) [X] An Original<br>(2) [ ] A Resubmission | 09/30/2018 | End of 2018/Q3 |

## REGIONAL TRANSMISSION SERVICE REVENUES (Account 457.1)

1. The respondent shall report below the revenue collected for each service (i.e., control area administration, market administration, etc.) performed pursuant to a Commission approved tariff. All amounts separately billed must be detailed below.

| Line No. | Description of Service (a) | Balance at End of Quarter 1 (b) | Balance at End of Quarter 2 (c) | Balance at End of Quarter 3 (d) | Balance at End of Year (e) |
|---|---|---|---|---|---|
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| 45 | | | | | |
| 46 | TOTAL | | | | |

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Green Mountain Power Corp | (1) [X] An Original<br>(2) [ ] A Resubmission | 09/30/2018 | End of 2018/Q3 |

## ELECTRIC PRODUCTION, OTHER POWER SUPPLY EXPENSES, TRANSMISSION AND DISTRIBUTION EXPENSES

Report Electric production, other power supply expenses, transmission, regional control and market operation, and distribution expenses through the reporting period.

| Line No. | Account<br>(a) | Year to Date Quarter<br>(b) |
|---|---|---|
| 1 | 1. POWER PRODUCTION AND OTHER SUPPLY EXPENSES | |
| 2 | Steam Power Generation - Operation (500-509) | 5,142,214 |
| 3 | Steam Power Generation - Maintenance (510-515) | 364,772 |
| 4 | Total Power Production Expenses - Steam Power | 5,506,986 |
| 5 | Nuclear Power Generation - Operation (517-525) | 3,257,761 |
| 6 | Nuclear Power Generation – Maintenance (528-532) | 289,633 |
| 7 | Total Power Production Expenses - Nuclear Power | 3,547,394 |
| 8 | Hydraulic Power Generation - Operation (535-540.1) | 1,920,107 |
| 9 | Hydraulic Power Generation – Maintenance (541-545.1) | 1,693,486 |
| 10 | Total Power Production Expenses – Hydraulic Power | 3,613,593 |
| 11 | Other Power Generation - Operation (546-550.1) | 3,727,896 |
| 12 | Other Power Generation - Maintenance (551-554.1) | 2,370,138 |
| 13 | Total Power Production Expenses - Other Power | 6,098,034 |
| 14 | Other Power Supply Expenses | |
| 15 | Purchased Power (555) | 262,088,849 |
| 16 | System Control and Load Dispatching (556) | 691,926 |
| 17 | Other Expenses (557) | 79,688 |
| 18 | Total Other Power Supply Expenses (line 15-17) | 262,860,463 |
| 19 | Total Power Production Expenses (Total of lines 4, 7, 10, 13 and 18) | 281,626,470 |
| 20 | 2. TRANSMISSION EXPENSES | |
| 21 | Transmission Operation Expenses | |
| 22 | (560) Operation Supervision and Engineering | 28,722 |
| 23 | | |
| 24 | (561.1) Load Dispatch-Reliability | 110,639 |
| 25 | (561.2) Load Dispatch-Monitor and Operate Transmission System | |
| 26 | (561.3) Load Dispatch-Transmission Service and Scheduling | |
| 27 | (561.4) Scheduling, System Control and Dispatch Services | 2,283,002 |
| 28 | (561.5) Reliability, Planning and Standards Development | |
| 29 | (561.6) Transmission Service Studies | |
| 30 | (561.7) Generation Interconnection Studies | |
| 31 | (561.8) Reliability, Planning and Standards Development Services | 457,335 |
| 32 | (562) Station Expenses | 398,801 |
| 33 | (563) Overhead Line Expenses | 156,413 |
| 34 | (564) Underground Line Expenses | |
| 35 | (565) Transmission of Electricity by Others | 68,571,756 |
| 36 | (566) Miscellaneous Transmission Expenses | |
| 37 | (567) Rents | 285,430 |
| 38 | (567.1) Operation Supplies and Expenses (Non-Major) | |

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Green Mountain Power Corp | (1) [X] An Original<br>(2) [ ] A Resubmission | 09/30/2018 | End of 2018/Q3 |

## ELECTRIC PRODUCTION, OTHER POWER SUPPLY EXPENSES, TRANSMISSION AND DISTRIBUTION EXPENSES

Report Electric production, other power supply expenses, transmission, regional control and market operation, and distribution expenses through the reporting period.

| Line No. | Account<br>(a) | Year to Date Quarter<br>(b) |
|---|---|---|
| 39 | TOTAL Transmission Operation Expenses (Lines 22 - 38) | 72,292,098 |
| 40 | Transmission Maintenance Expenses | |
| 41 | (568) Maintenance Supervision and Engineering | 6,906 |
| 42 | (569) Maintenance of Structures | |
| 43 | (569.1) Maintenance of Computer Hardware | |
| 44 | (569.2) Maintenance of Computer Software | |
| 45 | (569.3) Maintenance of Communication Equipment | 27,439 |
| 46 | (569.4) Maintenance of Miscellaneous Regional Transmission Plant | |
| 47 | (570) Maintenance of Station Equipment | 234,594 |
| 48 | (571) Maintenance Overhead Lines | 2,267,501 |
| 49 | (572) Maintenance of Underground Lines | |
| 50 | (573) Maintenance of Miscellaneous Transmission Plant | |
| 51 | (574) Maintenance of Transmission Plant | |
| 52 | TOTAL Transmission Maintenance Expenses (Lines 41 - 51) | 2,536,440 |
| 53 | Total Transmission Expenses (Lines 39 and 52) | 74,828,538 |
| 54 | 3. REGIONAL MARKET EXPENSES | |
| 55 | Regional Market Operation Expenses | |
| 56 | (575.1) Operation Supervision | |
| 57 | (575.2) Day-Ahead and Real-Time Market Facilitation | |
| 58 | (575.3) Transmission Rights Market Facilitation | |
| 59 | (575.4) Capacity Market Facilitation | |
| 60 | (575.5) Ancillary Services Market Facilitation | |
| 61 | (575.6) Market Monitoring and Compliance | |
| 62 | (575.7) Market Facilitation, Monitoring and Compliance Services | |
| 63 | Regional Market Operation Expenses (Lines 55 - 62) | |
| 64 | Regional Market Maintenance Expenses | |
| 65 | (576.1) Maintenance of Structures and Improvements | |
| 66 | (576.2) Maintenance of Computer Hardware | |
| 67 | (576.3) Maintenance of Computer Software | |
| 68 | (576.4) Maintenance of Communication Equipment | |
| 69 | (576.5) Maintenance of Miscellaneous Market Operation Plant | 2,350,216 |
| 70 | Regional Market Maintenance Expenses (Lines 65-69) | 2,350,216 |
| 71 | TOTAL Regional Control and Market Operation Expenses (Lines 63,70) | 2,350,216 |
| 72 | 4. DISTRIBUTION EXPENSES | |
| 73 | Distribution Operation Expenses (580-589) | 4,636,556 |
| 74 | Distribution Maintenance Expenses (590-598) | 23,028,103 |
| 75 | Total Distribution Expenses (Lines 73 and 74) | 27,664,659 |

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Green Mountain Power Corp | (1) [X] An Original<br>(2) [ ] A Resubmission | 09/30/2018 | End of 2018/Q3 |

## ELECTRIC CUSTOMER ACCOUNTS, SERVICE, SALES, ADMINISTRATIVE AND GENERAL EXPENSES

Report the amount of expenses for customer accounts, service, sales, and administrative and general expenses year to date.

| Line No. | Account (a) | Year to Date Quarter (b) |
|---|---|---|
| 1 | (901-905) Customer Accounts Expenses | 5,045,953 |
| 2 | (907-910) Customer Service and Information Expenses | 1,832,118 |
| 3 | (911-917) Sales Expenses | 6,000 |
| 4 | 8. ADMINISTRATIVE AND GENERAL EXPENSES | |
| 5 | Operations | |
| 6 | 920 Administrative and General Salaries | 9,094,706 |
| 7 | 921 Office Supplies and Expenses | 2,944,730 |
| 8 | (Less) 922 Administrative Expenses Transferred-Credit | 4,717,106 |
| 9 | 923 Outside Services Employed | 2,781,915 |
| 10 | 924 Property Insurance | 1,302,990 |
| 11 | 925 Injuries and Damages | 1,310,458 |
| 12 | 926 Employee Pensions and Benefits | 8,572,754 |
| 13 | 927 Franchise Requirements | |
| 14 | 928 Regulatory Commission Expenses | 749,567 |
| 15 | (Less) 929 Duplicate Charges-Credit | 222,460 |
| 16 | 930.1General Advertising Expenses | 70,343 |
| 17 | 930.2Miscellaneous General Expenses | 496,985 |
| 18 | 931 Rents | 131,784 |
| 19 | TOTAL Operation (Total of lines 6 thru 18) | 22,516,666 |
| 20 | Maintenance | |
| 21 | 935 Maintenance of General Plant | 5,947,701 |
| 22 | TOTAL Administrative and General Expenses (Total of lines 19 and 21) | 28,464,367 |

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Green Mountain Power Corp | (1) [X] An Original<br>(2) [ ] A Resubmission | 09/30/2018 | End of 2018/Q3 |

## TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456.1)
(Including transactions referred to as 'wheeling')

1. Report all transmission of electricity, i.e., wheeling, provided for other electric utilities, cooperatives, other public authorities, qualifying facilities, non-traditional utility suppliers and ultimate customers for the quarter.
2. Use a separate line of data for each distinct type of transmission service involving the entities listed in column (a), (b) and (c).
3. Report in column (a) the company or public authority that paid for the transmission service. Report in column (b) the company or public authority that the energy was received from and in column (c) the company or public authority that the energy was delivered to. Provide the full name of each company or public authority. Do not abbreviate or truncate name or use acronyms. Explain in a footnote any ownership interest in or affiliation the respondent has with the entities listed in columns (a), (b) or (c)
4. In column (d) enter a Statistical Classification code based on the original contractual terms and conditions of the service as follows: FNO - Firm Network Service for Others, FNS - Firm Network Transmission Service for Self, LFP - "Long-Term Firm Point to Point Transmission Service, OLF - Other Long-Term Firm Transmission Service, SFP - Short-Term Firm Point to Point Transmission Reservation, NF - non-firm transmission service, OS - Other Transmission Service and AD - Out-of-Period Adjustments. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting periods. Provide an explanation in a footnote for each adjustment. See General Instruction for definitions of codes.

| Line No. | Payment By (Company of Public Authority) (Footnote Affiliation) (a) | Energy Received From (Company of Public Authority) (Footnote Affiliation) (b) | Energy Delivered To (Company of Public Authority) (Footnote Affiliation) (c) | Statistical Classification (d) |
|---|---|---|---|---|
| 1 | Village of Ludlow | Various | Village of Ludlow | FNO |
| 2 | Village of Hyde Park | Various | Village of Hyde Park | FNO |
| 3 | Vermont Electric Coop | Various | Vermont Electric Coop | FNO |
| 4 | Woodsville Fire District | Various | Woodsville Fire District | FNO |
| 5 | New Hampshire Electric Cooperative | Various | New Hampshire Electric Cooop | FNO |
| 6 | Eversource | Various | Public Service of New Hampshire | FNO |
| 7 | Washington Electric | VELCO | Washington Electric | FNO |
| 8 | Village of Northfield | VELCO | Village of Northfield | FNO |
| 9 | Village of Jacksonville | VELCO | Village of Jacksonville | FNO |
| 10 | Village of Hardwick | VELCO | Village of Hardwick | FNO |
| 11 | Burlington Electric | GMP | Burlington Electric | FNO |
| 12 | Hydro Quebec | Hydro Quebec Transgererie | ISO New England | FNO |
| 13 | Hydro Quebec | Hydro Quebec Transgererie | ISO New England | NF |
| 14 | Ontario Power Generation | Hydro Quebec Transgererie | ISO New England | FNO |
| 15 | Ontario Power Generation | Hydro Quebec Transgererie | ISO New England | NF |
| 16 | Ontario Power Generation Energy Trading | Hydro Quebec Transgererie | ISO New England | NF |
| 17 | MAG Energy Solutions | Hydro Quebec Transgererie | ISO New England | FNO |
| 18 | MAG Energy Solutions | Hydro Quebec Transgererie | ISO New England | NF |
| 19 | Nalcor | Hydro Quebec Transgererie | ISO New England | FNO |
| 20 | Nalcor | Hydro Quebec Transgererie | ISO New England | NF |
| 21 | Brookfield Energy | Hydro Quebec Transgererie | ISO New England | NF |
| 22 | Hydro Quebec | Hydro Quebec Transgererie | ISO New England | NF |
| 23 | Burlington Electric | GMP | Burlington Electric | NF |
| 24 | Nalcor | Hydro Quebec Transgererie | ISO New England | NF |
| 25 | VELCO Highgate Transmission Facility | | | |
| 26 | Metalic Neutral | | | |
| 27 | | | | |
| 28 | | | | |
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| 32 | | | | |
| 33 | | | | |
| 34 | | | | |
| | **TOTAL** | | | |

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Green Mountain Power Corp | (1) [X] An Original<br>(2) [ ] A Resubmission | 09/30/2018 | End of 2018/Q3 |

## TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456)(Continued)
(Including transactions reffered to as 'wheeling')

5. In column (e), identify the FERC Rate Schedule or Tariff Number, On separate lines, list all FERC rate schedules or contract designations under which service, as identified in column (d), is provided.
6. Report receipt and delivery locations for all single contract path, "point to point" transmission service. In column (f), report the designation for the substation, or other appropriate identification for where energy was received as specified in the contract. In column (g) report the designation for the substation, or other appropriate identification for where energy was delivered as specified in the contract.
7. Report in column (h) the number of megawatts of billing demand that is specified in the firm transmission service contract. Demand reported in column (h) must be in megawatts. Footnote any demand not stated on a megawatts basis and explain.
8. Report in column (i) and (j) the total megawatthours received and delivered.

| FERC Rate Schedule of Tariff Number (e) | Point of Receipt (Subsatation or Other Designation) (f) | Point of Delivery (Substation or Other Designation) (g) | Billing Demand (MW) (h) | TRANSFER OF ENERGY MegaWatt Hours Received (i) | TRANSFER OF ENERGY MegaWatt Hours Delivered (j) | Line No. |
|---|---|---|---|---|---|---|
| 3 | Various | Various | | 44,407 | 43,075 | 1 |
| 3 | Various | Hyde Park | | 8,652 | 8,392 | 2 |
| 3 | Various | Various | | 79,166 | 76,478 | 3 |
| 3 | Various | Woodsville | | 18,764 | 18,201 | 4 |
| 3 | Various | Various | | 14,497 | 13,591 | 5 |
| 3 | Various | Various | | 132,526 | 127,889 | 6 |
| 3 | VELCO | Washington Electric | | 48,122 | 46,678 | 7 |
| 3 | VELCO | Northfield | | 22,256 | 21,588 | 8 |
| 3 | VELCO | Jacksonville | | 4,507 | 3,756 | 9 |
| 3 | VELCO | Hardwick | | 25,668 | 24,898 | 10 |
| 3 | VELCO | Burlington Electric | | 4,014 | 3,806 | 11 |
| 3 | New England Border | Sandy Pond, MA | | 52,408 | 52,408 | 12 |
| 3 | New England Border | Sandy Pond, MA | | 14,538 | 14,538 | 13 |
| 3 | New England Border | Sandy Pond, MA | | 45,857 | 45,857 | 14 |
| 3 | New England Border | Sandy Pond, MA | | 2 | 2 | 15 |
| 3 | New England Border | Sandy Pond, MA | | 52,408 | 52,408 | 16 |
| 3 | New England Border | Sandy Pond, MA | | 52,408 | 52,408 | 17 |
| 3 | Various | Various | | 58 | 58 | 18 |
| 3 | Various | Various | | 52,408 | 52,466 | 19 |
| 3 | Various | Various | | 80 | 80 | 20 |
| 3 | Burlington Electric | Various | | 60 | 60 | 21 |
| 3 | New England Border | Sandy Pond, MA | | 1,692,673 | 1,692,673 | 22 |
| 3 | Georgia, VT | Burlington, VT | | 15,837 | 9,782 | 23 |
| 3 | Various | Various | | | | 24 |
| | Georgia, VT | Burlington, VT | | | | 25 |
| | | | | | | 26 |
| | | | | | | 27 |
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| | | | | | | 33 |
| | | | | | | 34 |
| | | | 0 | **2,381,316** | **2,361,092** | |

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Green Mountain Power Corp | (1) [X] An Original<br>(2) [ ] A Resubmission | 09/30/2018 | End of 2018/Q3 |

## TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456) (Continued)
(Including transactions reffered to as 'wheeling')

9. In column (k) through (n), report the revenue amounts as shown on bills or vouchers. In column (k), provide revenues from demand charges related to the billing demand reported in column (h). In column (l), provide revenues from energy charges related to the amount of energy transferred. In column (m), provide the total revenues from all other charges on bills or vouchers rendered, including out of period adjustments. Explain in a footnote all components of the amount shown in column (m). Report in column (n) the total charge shown on bills rendered to the entity Listed in column (a). If no monetary settlement was made, enter zero (11011) in column (n). Provide a footnote explaining the nature of the non-monetary settlement, including the amount and type of energy or service rendered.
10. The total amounts in columns (i) and (j) must be reported as Transmission Received and Transmission Delivered for annual report purposes only on Page 401, Lines 16 and 17, respectively.
11. Footnote entries and provide explanations following all required data.

REVENUE FROM TRANSMISSION OF ELECTRICITY FOR OTHERS

| Demand Charges ($) (k) | Energy Charges ($) (l) | (Other Charges) ($) (m) | Total Revenues ($) (k+l+m) (n) | Line No. |
|---|---|---|---|---|
| | 228,753 | 27,595 | 256,348 | 1 |
| | 55,991 | 5,114 | 61,105 | 2 |
| | 469,881 | 45,782 | 515,663 | 3 |
| | 95,089 | 14,235 | 109,324 | 4 |
| | 82,961 | 15,359 | 98,320 | 5 |
| | 696,934 | 107,608 | 804,542 | 6 |
| | 298,153 | -22,841 | 275,312 | 7 |
| | 118,694 | -3,040 | 115,654 | 8 |
| | 24,011 | -2,614 | 21,397 | 9 |
| | 151,716 | -10,359 | 141,357 | 10 |
| | 20,793 | 2,296 | 23,089 | 11 |
| | 343,429 | | 343,429 | 12 |
| | 75,551 | -21,429 | 54,122 | 13 |
| | 155,443 | -93,857 | 61,586 | 14 |
| | 7 | -6 | 1 | 15 |
| | 177,649 | -107,265 | 70,384 | 16 |
| | 177,649 | -181,211 | -3,562 | 17 |
| | 539 | -202 | 337 | 18 |
| | 212,990 | -139,141 | 73,849 | 19 |
| | 294 | -224 | 70 | 20 |
| | 194 | -56 | 138 | 21 |
| | 4,466,886 | -802,192 | 3,664,694 | 22 |
| | 229,400 | | 229,400 | 23 |
| | | | | 24 |
| | | 65,909 | 65,909 | 25 |
| | | 18,426 | 18,426 | 26 |
| | | | | 27 |
| | | | | 28 |
| | | | | 29 |
| | | | | 30 |
| | | | | 31 |
| | | | | 32 |
| | | | | 33 |
| | | | | 34 |
| **0** | **8,083,007** | **-1,082,113** | **7,000,894** | |

***Schedule Page: 328 Line No.: 1 Column: e***

ISO-NE Tariff 3, Section II OATT, Schedule 21

***Schedule Page: 328 Line No.: 1 Column: m***

**Ludlow**

| | |
|---|---|
| Regulatory Commission expense | $981 |
| Delivery point charge | 1,344 |
| Load dispatch | 30,199 |
| 2017 True-up | 4,767 |
| Highgate Credit | (9,696) |
| TOTAL | $27,595 |

***Schedule Page: 328 Line No.: 2 Column: e***

ISO-NE Tariff 3, Section II OATT, Schedule 21

***Schedule Page: 328 Line No.: 2 Column: m***

**Hyde Park**

| | |
|---|---|
| Regulatory Commission expense | $187 |
| Delivery point charge | 448 |
| Load dispatch | 7,854 |
| 2017 True-up | 1,211 |
| Specific Facility Credit | (2,106) |
| Highgate Credit | (2,480) |
| TOTAL | $5,114 |

***Schedule Page: 328 Line No.: 3 Column: e***

ISO-NE Tariff 3, Section II OATT, Schedule 21

***Schedule Page: 328 Line No.: 3 Column: m***

**Vermont Electric Cooperative**

| | |
|---|---|
| Distribution | $16,562 |
| Regulatory Commission expense | 1,703 |
| Delivery point charge | 7,168 |
| Load dispatch | 65,526 |
| 2017 True-up | 9,680 |
| Specific Facility Credit | (32,697) |
| Highgate Credit | (22,160) |
| TOTAL | $45,782 |

***Schedule Page: 328 Line No.: 4 Column: e***

ISO-NE Tariff 3, Section II OATT, Schedule 21

***Schedule Page: 328 Line No.: 4 Column: m***

**Woodsville**

| | |
|---|---|
| Regulatory Commission expense | $368 |
| Delivery point charge | 448 |
| Load dispatch | 12,955 |
| 2017 True-up | 1,878 |
| Highgate Credit | (4,208) |
| Distribution | 2,794 |
| TOTAL | $14,235 |

***Schedule Page: 328 Line No.: 5 Column: e***

ISO-NE Tariff 3, Section II OATT, Schedule 21

***Schedule Page: 328 Line No.: 5 Column: m***

**New Hampshire Electric Cooperative**

| | |
|---|---|
| Regulatory Commission expense | $306 |
| Load dispatch | 11,458 |
| Distribution | 4,603 |
| 2017 True-up | 2,864 |
| Highgate Credit | (3,872) |
| TOTAL | $15,359 |

***Schedule Page: 328 Line No.: 6 Column: e***

ISO-NE Tariff 3, Section II OATT, Schedule 21

***Schedule Page: 328 Line No.: 6 Column: m***

**Eversource**

| | |
|---|---|
| Regulatory Commission expense | $2,626 |
| Delivery point charge | 3,136 |
| Load dispatch | 93,045 |
| Distribution | 23,255 |
| 2017 True-up | 16,850 |
| Highgate Credit | (31,304) |
| TOTAL | $107,608 |

***Schedule Page: 328 Line No.: 7 Column: e***

ISO-NE Tariff 3, Section II OATT, Schedule 21

***Schedule Page: 328 Line No.: 7 Column: m***

**Washington Electric**

| | |
|---|---|
| Regulatory Commission expense | $1,018 |
| Delivery point charge | 3,584 |
| Load dispatch | 41,820 |
| 2017 True-up | 2,920 |
| Phase in | (47,377) |
| Specific Facility Credit | (11,574) |
| Highgate Credit | (13,232) |
| TOTAL | $(22,841) |

***Schedule Page: 328 Line No.: 8 Column: e***

ISO-NE Tariff 3, Section II OATT, Schedule 21

***Schedule Page: 328 Line No.: 8 Column: m***

**Village of Northfield**

| | |
|---|---|
| Regulatory Commission expense | $439 |
| Delivery point charge | 448 |
| Load dispatch | 15,786 |
| 2017 True-up | 1,841 |
| Phase in | (16,178) |
| Highgate Credit | (5,376) |
| TOTAL | $(3,040) |

***Schedule Page: 328 Line No.: 9 Column: e***

ISO-NE Tariff 3, Section II OATT, Schedule 21

**Schedule Page: 328 Line No.: 9 Column: m**

**Village of Jacksonville**

| | |
| --- | --- |
| Regulatory Commission expense | $95 |
| Delivery point charge | 448 |
| Load dispatch | 3,363 |
| 2017 True-up | (218) |
| Phase in | (5,262) |
| Highgate Credit | (1,040) |
| TOTAL | $(2,614) |

**Schedule Page: 328 Line No.: 10 Column: e**

ISO-NE Tariff 3, Section II OATT, Schedule 21

**Schedule Page: 328 Line No.: 10 Column: m**

**Village of Hardwick**

| | |
| --- | --- |
| Regulatory Commission expense | $527 |
| Delivery point charge | 896 |
| Load dispatch | 19,833 |
| 2017 True-up | 426 |
| Phase in | (19,219) |
| Specific Facility Credit | (6,030) |
| Highgate Credit | (6,792) |
| TOTAL | $(10,359) |

**Schedule Page: 328 Line No.: 11 Column: e**

ISO-NE Tariff 3, Section II OATT, Schedule 21

**Schedule Page: 328 Line No.: 11 Column: m**

**Burlington Electric**

| | |
| --- | --- |
| Regulatory Commission expense | $82 |
| Delivery point charge | 896 |
| Load dispatch | 2,886 |
| 2017 True-up | 348 |
| Specific Facility Credit | (972) |
| Highgate Credit | (944) |
| TOTAL | $2,296 |

**Schedule Page: 328 Line No.: 12 Column: e**

ISO-NE RTO Tariff 3, Section II OATT, Schedules 20A and 20A-GMP.

**Schedule Page: 328 Line No.: 13 Column: e**

ISO-NE RTO Tariff 3, Section II OATT, Schedules 20A and 20A-GMP.

**Schedule Page: 328 Line No.: 14 Column: e**

ISO-NE RTO Tariff 3, Section II OATT, Schedules 20A and 20A-GMP.

**Schedule Page: 328 Line No.: 15 Column: e**

ISO-NE RTO Tariff 3, Section II OATT, Schedules 20A and 20A-GMP.

**Schedule Page: 328 Line No.: 16 Column: e**

ISO-NE RTO Tariff 3, Section II OATT, Schedules 20A and 20A-GMP.

**Schedule Page: 328 Line No.: 17 Column: e**

ISO-NE RTO Tariff 3, Section II OATT, Schedules 20A and 20A-GMP.

***Schedule Page: 328 Line No.: 18 Column: e***

***Schedule Page: 328 Line No.: 19 Column: e***
ISO-NE RTO Tariff 3, Section II OATT, Schedules 20A and 20A-GMP.

***Schedule Page: 328 Line No.: 20 Column: e***
ISO-NE RTO Tariff 3, Section II OATT, Schedules 20A and 20A-GMP.

***Schedule Page: 328 Line No.: 21 Column: e***
ISO-NE RTO Tariff 3, Section II OATT, Schedules 20A and 20A-GMP.

***Schedule Page: 328 Line No.: 22 Column: e***
ISO-NE RTO Tariff 3, Section II OATT, Schedules 20A and 20A-GMP.

***Schedule Page: 328 Line No.: 23 Column: e***
ISO-NE RTO Tariff 3, Section II OATT, Schedules 20A and 20A-GMP.

***Schedule Page: 328 Line No.: 24 Column: e***
ISO-NE RTO Tariff 3, Section II OATT, Schedules 20A and 20A-GMP.

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Green Mountain Power Corp | (1) [X] An Original<br>(2) [ ] A Resubmission | 09/30/2018 | End of 2018/Q3 |

## TRANSMISSION OF ELECTRICITY BY ISO/RTOs

1. Report in Column (a) the Transmission Owner receiving revenue for the transmission of electricity by the ISO/RTO.
2. Use a separate line of data for each distinct type of transmission service involving the entities listed in Column (a).
3. In Column (b) enter a Statistical Classification code based on the original contractual terms and conditions of the service as follows: FNO – Firm Network Service for Others, FNS – Firm Network Transmission Service for Self, LFP – Long-Term Firm Point-to-Point Transmission Service, OLF – Other Long-Term Firm Transmission Service, SFP – Short-Term Firm Point-to-Point Transmission Reservation, NF – Non-Firm Transmission Service, OS – Other Transmission Service and AD- Out-of-Period Adjustments. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting periods. Provide an explanation in a footnote for each adjustment. See General Instruction for definitions of codes.
4. In column (c) identify the FERC Rate Schedule or tariff Number, on separate lines, list all FERC rate schedules or contract designations under which service, as identified in column (b) was provided.
5. In column (d) report the revenue amounts as shown on bills or vouchers.
6. Report in column (e) the total revenues distributed to the entity listed in column (a).

| Line No. | Payment Received by (Transmission Owner Name) (a) | Statistical Classification (b) | FERC Rate Schedule or Tariff Number (c) | Total Revenue by Rate Schedule or Tarirff (d) | Total Revenue (e) |
|---|---|---|---|---|---|
| 1 | | | | | |
| 2 | | | | | |
| 3 | | | | | |
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| 38 | | | | | |
| 39 | | | | | |
| 40 | TOTAL | | | | |

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Green Mountain Power Corp | (1) [X] An Original<br>(2) [ ] A Resubmission | 09/30/2018 | End of 2018/Q3 |

## TRANSMISSION OF ELECTRICITY BY OTHERS (Account 565)
(Including transactions referred to as "wheeling")

1. Report all transmission, i.e. wheeling or electricity provided by other electric utilities, cooperatives, municipalities, other public authorities, qualifying facilities, and others for the quarter.
2. In column (a) report each company or public authority that provided transmission service. Provide the full name of the company, abbreviate if necessary, but do not truncate name or use acronyms. Explain in a footnote any ownership interest in or affiliation with the transmission service provider. Use additional columns as necessary to report all companies or public authorities that provided transmission service for the quarter reported.
3. In column (b) enter a Statistical Classification code based on the original contractual terms and conditions of the service as follows: FNS - Firm Network Transmission Service for Self, LFP - Long-Term Firm Point-to-Point Transmission Reservations. OLF - Other Long-Term Firm Transmission Service, SFP - Short-Term Firm Point-to- Point Transmission Reservations, NF - Non-Firm Transmission Service, and OS - Other Transmission Service. See General Instructions for definitions of statistical classifications.
4. Report in column (c) and (d) the total megawatt hours received and delivered by the provider of the transmission service.
5. Report in column (e), (f) and (g) expenses as shown on bills or vouchers rendered to the respondent. In column (e) report the demand charges and in column (f) energy charges related to the amount of energy transferred. On column (g) report the total of all other charges on bills or vouchers rendered to the respondent, including any out of period adjustments. Explain in a footnote all components of the amount shown in column (g). Report in column (h) the total charge shown on bills rendered to the respondent. If no monetary settlement was made, enter zero in column (h). Provide a footnote explaining the nature of the non-monetary settlement, including the amount and type of energy or service rendered.
6. Enter "TOTAL" in column (a) as the last line.
7. Footnote entries and provide explanations following all required data.

| Line No. | Name of Company or Public Authority (Footnote Affiliations) (a) | Statistical Classification (b) | TRANSFER OF ENERGY | | EXPENSES FOR TRANSMISSION OF ELECTRICITY BY OTHERS | | | |
|---|---|---|---|---|---|---|---|---|
| | | | Magawatt-hours Received (c) | Magawatt-hours Delivered (d) | Demand Charges ($) (e) | Energy Charges ($) (f) | Other Charges ($) (g) | Total Cost of Transmission ($) (h) |
| 1 | Received from Wheeler | | | | | | | |
| 2 | VELCO | FNS | 849,939 | 844,734 | 542,465 | | 46,324 | 588,789 |
| 3 | NYPA | OLF | | | | | 23,845 | 23,845 |
| 4 | National Grid | FNS | | | 335,212 | | -12,015 | 323,197 |
| 5 | VELCO Phase I & II | LFP | | | 909,395 | | | 909,395 |
| 6 | ISO New england | FNS | | | 19,533,677 | | | 19,533,677 |
| 7 | Vermont Elec Coop | OS | | | 87,816 | | | 87,816 |
| 8 | Connecticut Light & Pwr | OS | 61,526 | 61,526 | | | 31,610 | 31,610 |
| 9 | VEPP (VEC Trans.) | OS | | | | | 13,091 | 13,091 |
| 10 | | | | | | | | |
| 11 | | | | | | | | |
| 12 | | | | | | | | |
| 13 | | | | | | | | |
| 14 | | | | | | | | |
| 15 | | | | | | | | |
| 16 | | | | | | | | |
| | TOTAL | | 911,465 | 906,260 | 21,408,565 | | 102,855 | 21,511,420 |

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Green Mountain Power Corp | (1) [X] An Original<br>(2) [ ] A Resubmission | 09/30/2018 | End of 2018/Q3 |

## Depreciation, Depletion and Amortization of Electric Plant (Accts 403, 403.1, 404, and 405) (Except Amortization of Acquisition Adjustments)

1. Report the year to date amounts of depreciation expense, asset retirement cost depreciation, depletion and amortization, except amortization of acquisition adjustments for the accounts indicated and classified according to the plant functional groups described.

| Line No. | Functional Classification (a) | Depreciation Expense (Account 403) (b) | Depreciation Expense for Asset Retirement Costs (Account 403.1) (c) | Amortization of Other Limited-Term Electric Plant (Account 404) (e) | Amortization of Other Electric Plant (Account 405) (e) | Total (f) |
|---|---|---|---|---|---|---|
| 1 | Intangible Plant | | | 8,633,330 | | 8,633,330 |
| 2 | Steam Production Plant | 889,677 | | | | 889,677 |
| 3 | Nuclear Production Plant | 766,258 | | | | 766,258 |
| 4 | Hydraulic Production Plant Conv | 4,714,597 | | | | 4,714,597 |
| 5 | Hydraulic Production Plant - Pumped Storage | | | | | |
| 6 | Other Production Plant | 5,854,622 | 101,295 | | | 5,955,917 |
| 7 | Transmission Plant | 2,366,310 | | | | 2,366,310 |
| 8 | Distribution Plant | 13,468,680 | | | | 13,468,680 |
| 9 | General Plant | 4,136,474 | | | | 4,136,474 |
| 10 | Common Plant | | | | | |
| 11 | TOTAL ELECTRIC (lines 2 through 10) | 32,196,618 | 101,295 | 8,633,330 | | 40,931,243 |

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Green Mountain Power Corp | (1) [X] An Original<br>(2) [ ] A Resubmission | 09/30/2018 | End of 2018/Q3 |

## AMOUNTS INCLUDED IN ISO/RTO SETTLEMENT STATEMENTS

1. The respondent shall report below the details called for concerning amounts it recorded in Account 555, Purchase Power, and Account 447, Sales for Resale, for items shown on ISO/RTO Settlement Statements. Transactions should be separately netted for each ISO/RTO administered energy market for purposes of determining whether an entity is a net seller or purchaser in a given hour. Net megawatt hours are to be used as the basis for determining whether a net purchase or sale has occurred. In each monthly reporting period, the hourly sale and purchase net amounts are to be aggregated and separately reported in Account 447, Sales for Resale, or Account 555, Purchased Power, respectively.

| Line No. | Description of Item(s) (a) | Balance at End of Quarter 1 (b) | Balance at End of Quarter 2 (c) | Balance at End of Quarter 3 (d) | Balance at End of Year (e) |
|---|---|---|---|---|---|
| 1 | Energy | | | | |
| 2 | Net Purchases (Account 555) | 13,424,583 | 17,752,677 | 24,663,414 | |
| 3 | Net Sales (Account 447) | ( 5,434,299) | ( 9,952,055) | ( 13,528,824) | |
| 4 | Transmission Rights | ( 87,794) | ( 181,033) | ( 245,788) | |
| 5 | Ancillary Services | 575,785 | 844,736 | 1,015,863 | |
| 6 | Other Items (list separately) | | | | |
| 7 | Realtime Regulation | 282,843 | 420,711 | 641,194 | |
| 8 | ICAP Settlement | 9,089,078 | 18,185,930 | 30,880,680 | |
| 9 | | | | | |
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| 44 | | | | | |
| 45 | | | | | |
| 46 | TOTAL | 17,850,196 | 27,070,966 | 43,426,539 | |

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Green Mountain Power Corp | (1) [X] An Original<br>(2) [ ] A Resubmission | 09/30/2018 | End of 2018/Q3 |

## MONTHLY PEAKS AND OUTPUT

(1) (1) Report the monthly peak load and energy output. If the respondent has two or more power systems which are not physically integrated, furnish the required information for each non- integrated system. In quarter 1 report January, February, and March only. In quarter 2 report April, May, and June only. In quarter 3 report July, August, and September only.
(2) Report on column (b) by month the system's output in Megawatt hours for each month.
(3) Report on column (c) by month the non-requirements sales for resale. Include in the monthly amounts any energy losses associated with the sales.
(4) Report on column (d) by month the system's monthly maximum megawatt load (60 minute integration) associated with the system.
(5) Report on columns (e) and (f) the specified information for each monthly peak load reported on column (d).
(6) Report Monthly Peak Hours in military time; 0100 for 1:00 AM, 1200 for 12 AM, and 1830 for 6:30 PM, etc.

NAME OF SYSTEM:

| Line No. | Month (a) | Total Monthly Energy (MWH) (b) | Monthly Non-Requirements Sales for Resale & Associated Losses (c) | MONTHLY PEAK Megawatts (See Instr. 4) (d) | MONTHLY PEAK Day of Month (e) | MONTHLY PEAK Hour (f) |
|---|---|---|---|---|---|---|
| 1 | January | | | | 0 | 0 |
| 2 | February | | | | 0 | 0 |
| 3 | March | | | | 0 | 0 |
| 4 | Total | | | | | |
| 5 | April | | | | 0 | 0 |
| 6 | May | | | | 0 | 0 |
| 7 | June | | | | 0 | 0 |
| 8 | Total | | | | | |
| 9 | July | 482,900 | 26,632 | 665 | 2 | 2000 |
| 10 | August | 494,867 | 38,513 | 637 | 28 | 2000 |
| 11 | September | 442,394 | 35,988 | 631 | 5 | 2000 |
| 12 | Total | 1,420,161 | 101,133 | 1,933 | | |

| Name of Respondent | This Report Is: | Date of Report (Mo, Da, Yr) | Year/Period of Report |
|---|---|---|---|
| Green Mountain Power Corp | (1) [X] An Original<br>(2) [ ] A Resubmission | 09/30/2018 | End of 2018/Q3 |

## MONTHLY TRANSMISSION SYSTEM PEAK LOAD

(1) Report the monthly peak load on the respondent's transmission system. If the respondent has two or more power systems which are not physically integrated, furnish the required information for each non-integrated system.
(2) Report on Column (b) by month the transmission system's peak load.
(3) Report on Columns (c ) and (d) the specified information for each monthly transmission - system peak load reported on Column (b).
(4) Report on Columns (e) through (j) by month the system' monthly maximum megawatt load by statistical classifications. See General Instruction for the definition of each statistical classification.

NAME OF SYSTEM:

| Line No. | Month (a) | Monthly Peak MW - Total (b) | Day of Monthly Peak (c) | Hour of Monthly Peak (d) | Firm Network Service for Self (e) | Firm Network Service for Others (f) | Long-Term Firm Point-to-point Reservations (g) | Other Long-Term Firm Service (h) | Short-Term Firm Point-to-point Reservation (i) | Other Service (j) |
|---|---|---|---|---|---|---|---|---|---|---|
| 1 | January | 810 | 2 | 18 | 712 | 97 | 10 | | | -9 |
| 2 | February | 771 | 2 | 19 | 669 | 97 | 10 | | | -5 |
| 3 | March | 678 | 19 | 7 | 600 | 73 | 10 | | | -5 |
| 4 | Total for Quarter 1 | | | | 1,981 | 267 | 30 | | | -19 |
| 5 | April | 624 | 4 | 9 | 548 | 70 | 10 | | | -4 |
| 6 | May | 609 | 31 | 21 | 542 | 67 | 10 | | | -10 |
| 7 | June | 698 | 30 | 21 | 611 | 81 | 10 | | | -4 |
| 8 | Total for Quarter 2 | | | | 1,701 | 218 | 30 | | | -18 |
| 9 | July | 835 | 2 | 20 | 725 | 100 | 10 | | | |
| 10 | August | 796 | 28 | 20 | 695 | 98 | 10 | | | -7 |
| 11 | September | 778 | 5 | 20 | 678 | 98 | 10 | | | -8 |
| 12 | Total for Quarter 3 | | | | 2,098 | 296 | 30 | | | -15 |
| 13 | October | | | | | | | | | |
| 14 | November | | | | | | | | | |
| 15 | December | | | | | | | | | |
| 16 | Total for Quarter 4 | | | | | | | | | |
| 17 | Total Year to Date/Year | | | | 5,780 | 781 | 90 | | | -52 |

| Name of Respondent<br>Green Mountain Power Corp | This Report Is:<br>(1) [X] An Original<br>(2) [ ] A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>09/30/2018 | Year/Period of Report<br>End of 2018/Q3 |
|---|---|---|---|

## MONTHLY ISO/RTO TRANSMISSION SYSTEM PEAK LOAD

(1) Report the monthly peak load on the respondent's transmission system. If the Respondent has two or more power systems which are not physically integrated, furnish the required information for each non-integrated system.
(2) Report on Column (b) by month the transmission system's peak load.
(3) Report on Column (c) and (d) the specified information for each monthly transmission - system peak load reported on Column (b).
(4) Report on Columns (e) through (i) by month the system's transmission usage by classification. Amounts reported as Through and Out Service in Column (g) are to be excluded from those amounts reported in Columns (e) and (f).
(5) Amounts reported in Column (j) for Total Usage is the sum of Columns (h) and (i).

NAME OF SYSTEM:

| Line No. | Month (a) | Monthly Peak MW - Total (b) | Day of Monthly Peak (c) | Hour of Monthly Peak (d) | Imports into ISO/RTO (e) | Exports from ISO/RTO (f) | Through and Out Service (g) | Network Service Usage (h) | Point-to-Point Service Usage (i) | Total Usage (j) |
|---|---|---|---|---|---|---|---|---|---|---|
| 1 | January | | | | | | | | | |
| 2 | February | | | | | | | | | |
| 3 | March | | | | | | | | | |
| 4 | Total for Quarter 1 | | | | | | | | | |
| 5 | April | | | | | | | | | |
| 6 | May | | | | | | | | | |
| 7 | June | | | | | | | | | |
| 8 | Total for Quarter 2 | | | | | | | | | |
| 9 | July | | | | | | | | | |
| 10 | August | | | | | | | | | |
| 11 | September | | | | | | | | | |
| 12 | Total for Quarter 3 | | | | | | | | | |
| 13 | October | | | | | | | | | |
| 14 | November | | | | | | | | | |
| 15 | December | | | | | | | | | |
| 16 | Total for Quarter 4 | | | | | | | | | |
| 17 | Total Year to Date/Year | | | | | | | | | |
| | | | | | | | | | | |