

**STATE OF VERMONT
PUBLIC UTILITY COMMISSION**

Case No. 20-____-TF

Petition of Green Mountain Power for approval)
of its Climate Plan pursuant to the Multi-Year)
Regulation Plan proceeding May 24, 2019 Final)
Order and 30 V.S.A. § 218d)

**GREEN MOUNTAIN POWER’S PETITION
FOR APPROVAL OF A CLIMATE PLAN**

Green Mountain Power (“GMP”) petitions the Public Utility Commission (“Commission”) pursuant to 30 V.S.A. § 218d and Section IV(A)(vi) of GMP’s Multi-Year Regulation Plan (“Regulation Plan”), to approve GMP’s Climate Plan (the “Plan”) which proposes targeted investments to mitigate the increasing impacts of climate change-driven storms that are causing damage to GMP’s system, and thereby improve both the resiliency and the reliability of GMP’s power grid for customers. In support of its petition, GMP states as follows:

1. GMP is a Vermont corporation engaged in the manufacture, transmission, distribution, and sale of electricity directly to the public. Its principal office is located at 163 Acorn Lane, Colchester, Vermont 05446.
2. As set forth in the supporting testimony and exhibits, GMP seeks a Climate Plan in order to continue to deliver reliable, cost-effective service to its customers in the face of growing storm severity, increased precipitation levels, and more frequent high wind events—climate change-driven weather trends which have already been experienced in Vermont and are predicted to continue.
3. GMP’s customers are facing significant climate change-driven costs and reliability challenges due to more damaging storms, which are only expected to intensify in frequency and

severity. Four of GMP's five largest severe weather event recovery efforts have occurred in the last five years. In late 2018, while GMP was in the middle of its Regulation Plan proceeding, and while working on its most recent Integrated Resource Plan, GMP customers were hit with one of the worst and most damaging storm events in GMP's history, causing approximately 2,700 outage events and impacting over 114,000 GMP customers.

4. GMP has experienced very good day-to-day reliability, and has been working to proactively harden its system in the face of a changing climate; but the types of severe events Vermont has experienced in recent years, with damage to trees and infrastructure coming from outside the right of way, together with the trend of increasing frequency and severity of storms, makes it clear that "business as usual" is no longer viable or affordable for our customers. The realities of climate change are here now, and the costs will only hit harder if we do not accelerate work to plan and prepare for this new reality. With this in mind, GMP requested in its rebuttal testimony in the Regulation Plan proceeding the ability to file a plan to pursue additional projects targeted at system hardening and resiliency to help address these climate change-driven challenges.

5. As an integrated electric utility, GMP is subject to the Commission's regulatory authority over its electric rates and service. *See* 30 V.S.A. §§ 203, 209, 218, 218d, 219, 225, 226, 227.

6. The Commission approved GMP's Regulation Plan in Case No. 18-1633-PET, finding that the Regulation Plan satisfied the statutory requirements of Vermont's Regulation Planning statute, 30 V.S.A §219d. As part of the Regulation Plan, the Commission specifically authorized GMP to file a Climate Plan to address the continuing impacts of climate change on GMP's systems and customers. The Commission's Regulation Plan Order noted that GMP's proposed Climate Plan "would be intended to address threats to GMP's system from more frequent and

intense storm events related to climate change, and to accelerate the pace of GMP's current storm-hardening measures to maintain service quality." PUC Order of May 24, 2019 at 14, Finding #13.

7. Section IV(A)(vi) of GMP's Regulation Plan provides that "GMP may file a [Climate Plan] during the term of the [Regulation Plan] proposing additional expenditures and/or operational & maintenance expenses for climate change mitigation or storm hardening of GMP's transmission and distribution system," and requires GMP to demonstrate that such expenditures are "necessary, appropriate, and in the best interest of customers." Regulation Plan at 17.

8. The prefiled testimony and exhibits accompanying this Petition demonstrate that the Climate Plan meets these requirements by furthering the goals of GMP's approved Regulation Plan of ensuring safe, reliable service for customers in the face of significant climate change-driven storms.

9. GMP has taken a comprehensive approach to addressing these challenges as part of its Climate Plan, evaluating its operations and systems across the company to create a more resilient grid that is better able to withstand and recover from severe events. This includes updated flood hazards analysis supporting the need for projects to address risks to infrastructure that are particularly susceptible to climate change, such as hydroelectric generation stations and transmission and distribution systems, including substations that are in expanding flood zones and lines that may be inadequately protected or are difficult to access and repair. The Plan also includes improving information technology and communication systems through proactive projects that not only harden physical systems through self-healing and dynamic control but also strengthen GMP's ability to target communication with customers and stakeholders and to get systems back on line quickly after severe weather events. The Plan also includes work to

improve Distributed Energy Resource management to improve both grid and individual customer resilience, and efforts to create new Resiliency Zones with storage in some communities to help protect critical facilities, aid recovery, and lessen community impacts during these types of events.

10. The Plan establishes Plan-specific criteria for each GMP department to annually identify and propose Climate Plan projects that are necessary, appropriate, and in the best interest of customers, as demonstrated by the testimony from GMP witnesses in charge of each department filed with this Petition.

11. The Plan works within the framework of GMP's Regulation Plan. The proposed Climate Plan projects are not part of GMP's base capital spending during the Regulation Plan, but will complement GMP's ongoing system hardening projects, and will result in a more resilient grid that is better able to withstand and recover from increasing severe weather events driven by climate change.

12. While GMP has utilized a five-year project planning horizon in formulating its proposal, the Climate Plan itself is an annual review process during the Regulation Plan period, which will be integrated into the Annual Base Rate filing and review process required under the Regulation Plan, and thereafter can be incorporated into the cost of service review process, and any follow-on regulation plan, as well as be integrated into GMP's future IRPs so that this type of work becomes a part of ongoing planning.

13. The Plan's review process contemplates filing a preliminary project list using the approved Climate Plan criteria and budget with the Commission in the Annual Base Rate filings during the Regulation Plan, but not seeking recovery of costs until the projects are completed and the final project list and expenses are submitted to the Commission for review and approval.

14. GMP expects that most Climate Plan projects will be capital projects, though some may include new operations and maintenance expenses, which GMP would track separately from base O&M spending during the period of the Regulation Plan in order to align with Docket 7770.

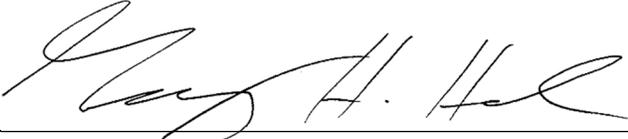
15. The Plan sets forth the criteria to be used by GMP to identify and select Plan projects, and GMP seeks Commission approval of these criteria in this proceeding, as well as the specific regulatory accounting process for incorporating these projects into rates after completion during the term of the Regulation Plan period as an adjustment to base rates during the Annual Base Rate review process.

WHEREFORE, GMP respectfully requests that the Commission:

- (a) Schedule a prehearing conference on this Petition as quickly as possible and issue an order establishing procedural requirements, including any necessary public hearings, workshops, and technical hearings, as the Commission deems appropriate for its review of the Climate Plan;
- (b) Make findings of fact and conclusions of law with respect to the matters set forth in this Petition, and approve the proposed Climate Plan criteria and the regulatory accounting process for incorporating these projects into rates during the term of the Regulation Plan period.
- (c) Issue an order in a timeframe that will allow GMP to implement the Plan and identify and propose initial Climate Plan projects for Fiscal Year 2021 together with GMP's required FY21 Annual Base Rate filing, to be filed with the Commission on June 1, 2020.
- (d) Take any other actions the Commission deems necessary or advisable in connection with this Petition.

Dated at Burlington, Vermont this 30th day of January, 2020.

GREEN MOUNTAIN POWER CORPORATION

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