

**STATE OF VERMONT
PUBLIC UTILITY COMMISSION**

Petition of Green Mountain Power Corporation)
for a certificate of public good authorizing the)
purchase of electricity from Great River) Case No. 21-____-PET
Hydro, LLC)

**PETITION FOR CERTIFICATE OF PUBLIC GOOD
PURSUANT TO 30 V.S.A § 248(a)(1)(A)**

This is a Petition by Green Mountain Power Corporation (“GMP”), under 30 V.S.A. § 248 (“Section 248”), requesting that the Vermont Public Utility Commission (the “Commission”) approve a Power Purchase Agreement (the “PPA”) between GMP and Great River Hydro, LLC (“Great River Hydro”), relating to the electrical output and environmental attributes of a system of existing, hydroelectric-generation facilities located along the Connecticut and Deerfield Rivers in Vermont, New Hampshire, and Massachusetts (the “GRH Facilities”). In support of this Petition, GMP represents:

1. GMP is a company engaged in the manufacture, transmission, and distribution of electricity in Vermont as defined in 30 V.S.A. §§ 201 & 203 and as such is subject to the Commission’s jurisdiction to regulate companies under Title 30 of the Vermont Statutes Annotated.
2. Great River Hydro owns and operates a portfolio of 13 generating stations and three storage-only reservoirs, situated generally along the Deerfield and Connecticut Rivers in Vermont, New Hampshire, and Massachusetts, which resources Great River Hydro’s parent company acquired in 2017 through an equity sale, as approved by the Commission in Case No. 8872, and as such is also a company subject to the Commission’s regulation.
3. The PPA requires Commission approval under Section 248(a)(1)(A)(ii) because the energy purchases will likely represent more than 10 percent of GMP’s historic peak demand

as the energy quantities ramp up over the term of the PPA, and Great River Hydro produces electricity from renewable energy as defined under section 8002 of Title 30.¹

PPA Benefits

4. GMP has entered into the PPA subject to Commission approval to fulfill a portion of the long-term needs of its customers for reasonably priced, renewable energy to meet the requirements of Tier I of Vermont's Renewable Energy Standard as well as GMP's broader goals for renewable electric-resource supply.

5. GMP has significant existing PPAs that are set to expire before or in the mid-2030s. Energy purchases from the GRH Facilities will ramp up over time to replace a portion of those retiring contracts and serve as a core long-term, renewable, reliable energy source within GMP's portfolio, while leaving considerable room for other renewable resources to serve customers.

6. The pricing and other terms of the PPA are favorable compared to alternative renewable options potentially available to GMP as well as those in its portfolio now. The PPA will provide a hedge against future market uncertainty and competition for supply resources, while the energy profile of the GRH Facilities will be complementary to the continued growth of solar and other renewable resources in GMP's portfolio.

PPA Terms

7. Under the PPA, GMP will purchase Firm Hydroelectric Energy, Peaking Hydroelectric Energy, and Environmental Attributes (each as defined in the PPA) generated by or associated with the GRH Facilities.

8. The term of the PPA is up to 30 years, with purchases of Peaking Hydroelectric Energy commencing in 2023, Firm Hydroelectric Energy purchases commencing in 2028, and

¹ GMP has executed the PPA subject to regulatory approval under Section 248. Since the proposed PPA exceeds five years, and certain GRH Facilities are located within Vermont, this Petition provides notice under Rule 5.202(C) of GMP's intent to purchase energy from facilities located within Vermont. In an abundance of caution, the parties are also holding the PPA in escrow for the 90-day notice period under Rule 5.200.

energy deliveries ramping up to approximately 625,000 MWh/year by 2033. For context, the average energy volume delivered under the PPA will be roughly 40 percent less than the volume of GMP's largest long-term resource commitment, the current long-term PPA with H.Q. Energy Services (U.S.) Inc.

9. The price for the Peaking Hydroelectric Energy starts at approximately \$45/MWh, and the price for the Firm Hydroelectric Energy starts at approximately \$47/MWh, each inclusive of the associated Environmental Attributes. The starting price will be subject to a fixed escalator with no market adjustment, locking in stable pricing based on a favorable market environment and providing stability and predictability over time.

10. Given its delivery mix of peaking and firm generation, the PPA provides unique value to GMP and its customers: the peaking component provides significant energy when GMP needs it most both seasonally and generally during time periods when other resources are less available; the firm component provides steady output across the year; and the combined effect of these two products is to increase GMP's renewable supply to match customers' usage across the day and across the year, which is of benefit to GMP's overall portfolio profile.

11. The PPA also provides for the purchase of Environmental Attributes (as broadly defined therein) from the GRH Facilities at a constant annual volume, offering GMP and its customers value by relying on these regional resources to help meet GMP's Tier I obligations and renewable goals.

Prefiled Testimony and Evidence

12. The proposed purchases under the PPA satisfy the criteria established by Section 248 and will promote the general good of the State of Vermont as demonstrated by the prefiled testimony and exhibits filed with this Petition.

13. In support of this Petition, GMP submits prefiled testimony and exhibits sponsored by the following witnesses:

<u>Witness</u>	<u>Subject</u>
Christopher Cole	Mr. Cole provides an overview of the PPA structure and terms, discusses the unique value associated with the PPA products, and explains how the PPA will provide stable, well-priced electricity that serves as a good anchor for GMP's portfolio over time.
Douglas Smith	Mr. Smith addresses GMP's current power supply portfolio, its power supply strategy/market price forecasts, and how the proposed purchases under the PPA comply with Section 248(b)(2)-(4), (6), (7), and (10) (need, system stability and reliability, economic benefit, integrated resource planning, compliance with the electric plan, and transmission facilities).
Andrew Quint	Mr. Quint explains how GMP evaluated the PPA and its fit with GMP's short-term and long-term energy needs together with GMP's requirements for renewable attributes. Mr. Quint also addresses how the proposed PPA helps to meet customer demand on a monthly and annual basis.

Request for Relief

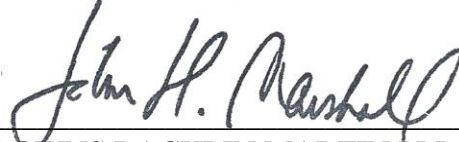
GMP respectfully requests that the Commission:

- A. Schedule a prehearing conference and take such other measures as may be required for timely review and approval of this Petition;
- B. Find the purchase of electric energy pursuant to the PPA promotes the general good of the State of Vermont under Section 248; and
- C. Issue a certificate of public good to that effect.

DATED at Burlington, Vermont, this 4th day of March, 2021.

GREEN MOUNTAIN POWER CORPORATION

By its attorneys,

A handwritten signature in black ink, reading "John H. Marshall". The signature is written in a cursive style and is positioned above a horizontal line.

DOWNS RACHLIN MARTIN PLLC

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