

**VERMONT PUBLIC POWER  
SUPPLY AUTHORITY**

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BY ELECTRONIC MAIL

July 18, 2017

Judith Whitney, Clerk  
Vermont Public Service Board  
112 State Street, 4<sup>th</sup> floor  
Montpelier, VT 05620-2701

Re: Case #17-3142-PET - In Re: Vermont Department of Public Service  
request for workshop on utility rate regulation

Dear Ms. Whitney:

Vermont Public Power Supply Authority (“VPPSA”) offers the following comments in response to the Public Utility Commission’s (“Commission”) Order dated June 26, 2017 requesting potential issues for discussion at the upcoming workshop on utility rate regulation. VPPSA would like to see discussion of the following topics be included in this proceeding:

- Guidance from the Commission with respect to consistently determining appropriate cash reserve levels in a rate-setting environment.
- Streamlined rate approval process and/or specified rate approval timelines.
- Discussion of when Section 108 approvals are needed for borrowing.
- How to regulate capital investments in hydroelectric facilities when bonding will extend beyond the existing license.
- Pilot rate flexibility/limited duration rates.
- End use rates.

VPPSA offers this initial list of discussion items but notes that other topics may emerge as we consider the comments of other parties. VPPSA appreciates this opportunity to

comment and looks forward to the discussion at the August 8<sup>th</sup> workshop. I have been authorized to represent that Burlington Electric Department concurs with these comments.

Sincerely,

A handwritten signature in cursive script that reads "Melissa Bailey". The signature is written in black ink and is positioned above the typed name.

Melissa Bailey  
Legislative and Regulatory Affairs Representative  
Vermont Public Power Supply Authority