STATE OF VERMONT
PUBLIC UTILITY COMMISSION

Case No. 18-0126-PET

Motion of Green Mountain Power Corporation to refund Energy Assistance Program funds and to hire an independent consultant to evaluate its Energy Assistance Program	

Order entered: 02/22/2018

ORDER APPROVING REFUND AND DESIGNATING THE VERMONT DEPARTMENT OF PUBLIC SERVICE AS THE ENTITY RESPONSIBLE FOR HIRING AN INDEPENDENT CONSULTANT

This proceeding concerns a motion filed with the Vermont Public Utility Commission ("Commission") by Green Mountain Power Corporation ("GMP") regarding its Energy Assistance Program ("EAP").[1] In today's order, we approve a refund and grant permission to hire an independent consultant.

I. BACKGROUND

The EAP originally was approved by the Commission on September 6, 2012, in Docket 7535.

Between September 6, 2012, and November 23, 2016, administrative and programmatic changes were made to the EAP.[2]

On January 16, 2018, GMP filed a motion with the Commission to return EAP funds to GMP customers via a one-time bill credit during April 2018 and to hire an independent consultant to evaluate the EAP. In its motion, GMP stated that it was authorized to represent that the Vermont Department of Public Service ("Department") and AARP, Inc. ("AARP") support GMP's motion.

On January 16, 2018, GlobalFoundries filed a letter stating that it did not oppose GMP's motion.

[1] The EAP is a program designed to help low-income GMP customers better afford their monthly electric bills by offering discounted service and arrearage forgiveness.

[2] *See*, Dockets 7535 and 8500 for complete details of the original EAP and those administrative changes.

On January 24, 2018, the Department filed comments qualifying its support for GMP's motion.

No other comments were received by the Commission.

II. EAP REFUND

GMP represents that the EAP fund balance was $3,589,863 as of August 31, 2017. According to GMP, this excess results from ongoing over collections because program participation lagged behind what was originally expected. However, given recent Commission-approved reductions in the monthly EAP fee charged to customers, the monthly surplus has now become a slight undercollection of approximately $36,000 per month. Despite this, GMP still has a fund balance of $3,589,863, a portion of which it now moves the Commission to return to GMP customers.

GMP proposes to offer a one-time rebate of $2,425,000 of excess EAP funds to its customers during its April 2018 billing cycle. The rebate would be equi-proportional. That is, the rebate would be weighted according to how much each rate class contributed to the excess EAP fund balance. Based on this principle, the one-time rebate would be as follows: residential customers: $8.27, small commercial customers: $ 13.82, and large commercial customers: $459.15.

With this rebate, GMP would still have an EAP fund balance of $1,089,863. Given this balance, all other things remaining the same, GMP represents that the EAP could continue operating for approximately another 30 months before exhausting the fund balance.

Having reviewed the filings, we find good cause to approve GMP's proposed one-time rebate of $2,425,000 of excess EAP funds to its customers during its April 2018 billing cycle. We come to this conclusion because GMP represents that the EAP can continue functioning as designed without the surplus and that the rebate is proposed in a manner that will return the funds to the appropriate rate classes that originally provided the funds. Furthermore, we note that no commenters object to the refund. For all of these reasons, we approve GMP's proposed one-time rebate of $2,425,000 of excess EAP funds to its customers during its April 2018 billing cycle.[3]

[3] We observe that the last time we approved an EAP refund, we required an evidentiary record to do so. However, we required the evidentiary record not for the refund, but rather because the proposal before us at that

III. INDEPENDENT CONSULTANT

GMP proposes to hire an independent consultant to review the design of the program and to make recommendations regarding best practices and efforts to increase enrollment in the EAP. GMP proposes to use up to $75,000 to hire the consultant and also offers to collaborate with the Department, AARP, the Fuel Office of the Economic Services Division of the Vermont Department for Children and Families, and any other interested entities with respect to the selection and supervision of the expert.

In comments, the Department asked the Commission to appoint the Department as the entity responsible for selecting and hiring the expert. The Department argues that its request-for-proposal process will be more transparent to the public than would be a GMP-led process and would be less expensive than the $75,000 GMP proposes.

We are persuaded that an independent consultant should be hired to review the EAP. Additionally, we find it to be in the public good to appoint the Department as the entity responsible for selecting and hiring the expert because we are persuaded that a Department-led process would be more transparent and potentially less expensive than a GMP-led process.

Upon the completion of the EAP analysis, the Commission asks the Department to file the consultant's report in this case. Should the report recommend changes to the EAP that GMP would like to implement and that would require our approval, then GMP should file a petition seeking such approval in a new case in ePUC.

IV. ORDER

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED by the Public Utility Commission of the State of Vermont that:

1. Green Mountain Power Corporation shall issue a one-time rebate of $2,425,000 of excess Energy Assistance Program ("EAP") funds to its customers during its April 2018 billing cycle as discussed in the body of this order.

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time, in addition to a refund, contemplated "making changes to certain elements of the EAP that were established as program requirements following a contested case process" (*See Investigation into Proposed Changes to GMP's EAP*, Docket 8500, order of 6/15/15, at 2). Absent those programmatic changes here, we determine that we can approve the refund based on the paper filings alone.

2. The Department of Public Service shall retain an independent expert to review the design of the EAP and to make recommendations regarding best practices and efforts to increase enrollment into the program.

3. The Department shall file in this case the independent consultant's report.

Dated at Montpelier, Vermont, this 22nd day of February, 2018.

Anthony Z. Roisman	)	PUBLIC UTILITY
Margaret Cheney	)	COMMISSION
Sarah Hofmann	)	OF VERMONT

OFFICE OF THE CLERK

Filed: February 22, 2018

Attest: Judith C. Whitney
Clerk of the Commission

Notice to Readers: This decision is subject to revision of technical errors. Readers are requested to notify the Clerk of the Commission (by e-mail, telephone, or in writing) of any apparent errors, in order that any necessary corrections may be made. (E-mail address: puc.clerk@vermont.gov)

PUC Case No. 18-0126-PET - SERVICE LIST

Parties:

Debra L. Bouffard, Esq. (for Green Mountain Power Corporation)
Sheehey Furlong & Behm
30 Main Street, 6th Floor
P.O. Box 66
Burlington, VT 05402-0066
dbouffard@sheeheyvt.com

Daniel C. Burke, Esq. (for Vermont Department of Public Service)
Vermont Department of Public Service
112 State Street
Third Floor
Montpelier, VT 05620-2601
dan.burke@vermont.gov

James Dumont (for AARP)
PO Box 229
Bristol, VT 05443
dumont@gmavt.net

James Porter, Director of Public Advocacy (for Vermont Department of Public Service)
Vermont Department of Public Service
DPS-PA@vermont.gov

Shapleigh Smith, Jr. (for Global Foundaries U.S. 2 LLC)
Dinse, Knapp & McAndrew, P.C.
209 Battery Street
Burlington, VT 05401
ssmith@dinse.com