STATE OF VERMONT
PUBLIC UTILITY COMMISSION

Case No. 22-3947-TF

Tariff Filing of City of Burlington Electric	)
Department to revise its net-metering tariff	)
effective October 1, 2022	)

PREFILED TESTIMONY

OF

James L. Gibbons

September 15, 2022

The witness's testimony responds to the Commission's September 9, 2022, request for information in Case No. 22-3947-TF.

James L. Gibbons

Q. 01. Mr. Gibbons, please state your name and business address.

A.01. My name is James L. Gibbons. My business address is 585 Pine Street, Burlington, Vermont.

Q.02. By whom are you employed, and in what capacity?

A. 02. I am currently employed by BED as Director of Policy and Planning. I have been a full-time employee of BED since September 2008. Under contract with the Vermont Public Power Supply Authority ("VPPSA"), I also presently serve as a Strategic Advisor to VPPSA.

Q. 03. What are your current responsibilities as Director of Policy and Planning at BED?

A. 03. I am a member of the leadership team at BED, reporting to the Manager of Strategy and Innovation. My team's responsibilities include management of the power supply, transmission, planning, and oversight of BED's regulatory activities. This includes the responsibility for preparing the power supply component of any rate filings, conducting rate design activities, and making, or coordinating with external counsel to make, BED's regulatory filings such as the instant example.

Q. 04. By whom were you employed prior to BED?

A. 04. I was employed by VPPSA from 1990 to 2008 in the capacity of Load Forecaster, Senior Analyst, and ultimately the Manager of Power Supply. During my time as an analyst, I was responsible for the rate filings, cost of service studies, and special contracts of the Authority's members.

Q. 05. Briefly describe your educational background.

A. 05. I received a Bachelor of Science Degree in Business Administration with a concentration in Professional Accounting from the University of Vermont in 1988. I have also attended numerous utility-specific education courses covering accounting, rate design, and management during my employment.

Q. 06. Have you had any training related to electric utility rates?

A. 06. Yes. During my time as a senior analyst at VPPSA, I was responsible for preparing and presenting rate filings, cost of service studies, rate designs, and special contracts of the Authority's members. In addition, during that time I performed similar services for other utilities in New England under contract to VPPSA. I have attended numerous national and regional accounting and ratemaking seminars/trainings sponsored by various organizations.

Q. 07. What is the purpose of this testimony?

A. 07. BED filed revisions to its net-metering tariff in this Case at the recommendation of the Department of Public Service ("Department"). These revisions include updates to the text of the tariff as well as changing the value of the solar incentive provided to pre-existing net-metering customers. This testimony responds to the questions posed by the Commission in its September 9, 2022, Memorandum in this case, Case No. 22-3947-TF.

Q. 08. Pursuant to 30 V.S.A. § 225(a), changes to rate schedules must generally be filed with the Commission and the Department at least 45 days before taking effect, unless the Commission grants a shorter period upon application of the company and a demonstration of good cause. Can you please explain what good cause exists, if any, for the Commission to grant a shorter period (between the filing date of September 2 and the requested effective date of October 1)?

A. 08. 30 V.S.A. § 225(a) provides, in part, that a, "change which in effect decreases such tolls or rates may be made upon five days' notice to the Commission and Department of Public Service[.]" Because the proposed increase in the solar incentive credit will increase the compensation of the applicable customers, thereby reducing their bills, BED contends the proposed change is ***in effect*** a rate decrease that may be implemented on less than 45-days' notice. In verbal discussions between BED and the Department, the Department acknowledged that the proposed change to the solar incentive would have the effect of being a rate decrease that would be subject to the five days' notice provision of

30 V.S.A. § 225(a). In the alternative, the foregoing explanation demonstrates that good cause exists for allowing the change to go into effect as of October 1, 2022.

Q. 09. The Commission has requested BED to file a proposed customer notice. Can BED provide a proposed notice for customers who will be affected by the proposed changes and an explanation of when and how BED will provide the notice to those customers?

A. 09. If the Commission finds that the proposed solar incentive change is subject to the five days' notice provision of 30 V.S.A. § 225(a), that provision requires the Commission to determine if notice is required and what the form of notice BED must provide to affected parties ("notice to parties affected as the Commission shall direct."). Assuming the Commission determines that notice is required and approves BED's draft of the customer notice submitted as Exhibit JLG-1 with sufficient lead time, BED will provide such notice via letters to pre-existing net-metering customers and/or through a customer notice on its web site prior to October 1.

Q. 10. BED's original filing in this matter includes a redline version of the proposed changes to its tariff. The redline is a markup of the tariff effective August 1, 2021, rather than the tariff effective September 1, 2022 (approved by the Commission in Case No. 22-2768-TF on August 26, 2022). The Commission has requested that BED use the tariff effective September 1, 2022, to submit a redline showing in underline and strike through those changes that are proposed in this proceeding only. Have you prepared such a submittal?

A. 10. Yes, BED is filing revised redline and clean copies of the tariff in this case in accordance with this request.

Q. 11. Beyond the cover letter, the filing includes no explanation for the proposed changes to the solar incentive for pre-existing net-metering customers. Please explain why the incentive was changed in 2021, why BED is proposing to change it back to its pre-2021 amount, and the refund BED proposes to make to affected customers.

A. 11. BED reduced this solar incentive based on Department guidance in its 2021 rate case, Case No. 21-2186-TF, to reflect the 7.5% increase in that case. Subsequent to the Commission's approval of that change to the solar incentive, in response to customer complaints about this change, BED and the Department had a number of discussions to resolve these complaints in which the Department recommended that the solar incentive revert to its original value, indicating its original instructions did not comply with Vermont statute. BED reviewed the Department's position and concurred with its revised position that the credit should not have been changed in the 2021 rate increase request. This planned change was discussed in BED's pre-filed testimony in Case No. 22-2296-TF, Question and Answer 35.

In conjunction with its review of BED's net-metering tariff to address the solar incentive question, the Department recommended several other textual changes to BED's tariff. BED submitted those recommended changes in redlined and clean copies of its net-metering tariff in this Case on September 2, 2022. BED noted to the Commission in its August 12, 2022, letter in the net-metering compliance filing in Case No. 22-2768-TF, that it would be submitting these changes subsequent to the compliance filing.

After BED filed the requested changes to the solar incentive in Case No. 22-2296-TF, the Department requested that BED resolve the credit and the above-mentioned textual changes in the context of a separate filing, hence this proceeding.

Q. 12. Can you indicate how many customers have been and will be affected by the changes and the approximate amount of the refund in total.

A. 12. There are 205 net-metering customers with pre-existing facilities who receive the solar incentive. If ordered by the Commission, BED proposes to refund these customers even though the reduced credit was approved by the Commission in Case No. 21-2186-TF. As of September 7, 2022, a total of $24,269.96 would be due these customers. The solar production data for calculating any final amount to be refunded is not available at this time. If a refund is ordered for the period August 1, 2021 to September 30, 2022, BED will make that calculation at that time, which would increase the amount calculated through September 7, 2022, slightly.

Q. 13. Does this conclude your testimony?

A. 13. Yes, this concludes my testimony.