

STATE OF VERMONT  
PUBLIC UTILITY COMMISSION

Case No. 22A-4238

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Vermont Gas Systems, Inc. Rutland Regional Medical Center Geothermal Project	
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Order entered: 10/21/2022

**REQUESTS FOR INFORMATION**

On September 27, 2022, Vermont Gas Systems Inc. (“VGS”) filed notice of an innovative pilot project entitled the Rutland Regional Medical Center (“RRMC”) Geothermal Project pursuant to the Climate Action and Innovation Programs section of its Alternative Regulation Plan (“ARP”).<sup>1</sup> According to VGS, this project fits into VGS’s exploration of the role it might play in geothermal heating and cooling in Vermont. The purpose of VGS’s innovative pilot programs is to pursue and consider opportunities “that support Vermont’s statewide energy goals by advancing promising technologies to facilitate efficient, lower carbon energy choices for its customers.”<sup>2</sup>

Pursuant to paragraph 5(d) of the ARP, VGS must provide 30 days’ notice to the Vermont Public Utility Commission (“Commission”) and Department of Public Service (“Department”) before commencing any spending on a project, program, or service under the Climate Action and Innovation Budget that exceeds \$25,000. The notice must address seven elements detailed in paragraph 5(e) of the ARP.

Based on a review of the RRMC Geothermal Project notice, it appears that VGS has not addressed all seven elements. Therefore, before VGS commences any spending on the RRMC Geothermal Project, VGS is requested to provide information responding to the following requests no later than November 11, 2022. Any comments on or objections to the RRMC Geothermal Project, including VGS’s responses to this information request, and any requests for additional process should be filed by December 12, 2022.

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<sup>1</sup> See Exhibit VGS-JMP-5 (5/21/21), Case No. 19-3529-PET at 5.

<sup>2</sup> *Id.*

1. RRMC is not a current customer of VGS. Please clarify how a project targeting a non-customer meets paragraph 5(a), which states, “VGS shall pursue and consider projects, programs, and services that support Vermont’s statewide energy goals by advancing promising technologies to facilitate efficient, lower carbon energy choices *for its customers.*” (Emphasis added.)
2. VGS has provided a description and quantification of the carbon savings. Please also address the following:<sup>3</sup>
  - a. How the RRMC Geothermal Project supports Vermont’s energy goals and advances Vermont’s Comprehensive Energy Plan, pursuant to paragraph 5(e)(ii) of the ARP.
  - b. How the RRMC Geothermal Project would enhance and complement the efficiency work undertaken by VGS as part of its energy efficiency utility (EEU) appointment, pursuant to paragraph 5(e)(iii) of the ARP.
  - c. The cost of the RRMC Geothermal Project to non-participating VGS customers, including: (1) expected Base Rate impacts; (2) how much of the \$78,500 would be paid back each year during the 15-year term; (3) whether, when, and how much additional fees (such as cost of debt or return on equity) would be collected on the \$78,500; (4) whether the full \$78,500 would be counted against the \$2 million limit on annual spending for the Climate Action and Innovation Budget; (5) how and whether VGS plans to use the \$78,4500 once it is collected from RRMC; (6) the proposed accounting treatment of the \$78,500 as it is loaned to RRMC and as it is returned to VGS; and (7) all relevant assumptions utilized for this analysis, pursuant to paragraph 5(e)(iv) of the ARP.
  - d. The terms of the agreement with RRMC, pursuant to paragraph 5(e)(vi) of the ARP. Please provide a complete copy of any agreement proposed or executed between VGS and RRMC.

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<sup>3</sup> VGS is asked to file any quantification and/or modeling in native file format (generally Excel) with all links and formulas intact.

- e. A description of outreach and education that would be used by VGS in conjunction with geothermal heating and cooling projects, pursuant to paragraph 5(e)(vii) of the ARP.
3. Please confirm whether the RRMC Geothermal Project will be assessed based on Category 3 Climate Action and Innovation Performance Metrics.

**SO ORDERED.**

Dated at Montpelier, Vermont, this 21st day of October, 2022.



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Steph Hoffman  
Hearing Officer

OFFICE OF THE CLERK

Filed: October 21, 2022

Attest: Pamela Lenahan  
Deputy 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](mailto:puc.clerk@vermont.gov))*

PUC Case No. 22A-4238 - SERVICE LIST

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