

**STATE OF VERMONT
PUBLIC UTILITY COMMISSION**

Case No. 22A-4238

Vermont Gas Systems, Inc. Rutland Regional
Medical Center Geothermal Project

VERMONT DEPARTMENT OF PUBLIC SERVICE COMMENTS

On September 27, 2022, Vermont Gas Systems, Inc. (“VGS”) filed notice with the Vermont Public Utility Commission (“Commission”) of the Rutland Regional Medical Center Geothermal Project (“RRMC Project” or “Project”), an innovative pilot project, pursuant to the Climate Action and Innovation Programs section of its Alternative Regulation Plan (“ARP”). On October 21, 2022, the Commission requested additional information from VGS, and VGS filed responses on October 26.

The Vermont Department of Public Service (“Department”) has reviewed the report filed by VGS, together with the materials provided in response to the Commission’s questions. The Department does not object to the RRMC Project as a pilot project, under the terms of VGS’s ARP. The Project aligns with the intent of the Climate Action and Innovation allocation and will provide significant research and development value in a nascent market for the benefit of VGS customers. Though the Project is not without financial risks, the risks are limited by the Project’s fixed scope within the framework of the ARP and further mitigated by the benefits provided.

Should VGS choose to expand upon the RRMC Project or pursue other geothermal offerings, the Department suggests that additional review may be appropriate, as other questions or concerns may arise.¹

¹ See, e.g., *Tariff Filing of Green Mountain Power Corp.*, Case No. 18-0974-TF, Order of 12/21/18 at 19–20 (relaying the Department’s argument that “it is necessary to establish regulatory safeguards that protect both ratepayers and

Dated at Montpelier, Vermont this 9th day of November 2022.

Respectfully submitted,

VERMONT DEPARTMENT OF PUBLIC SERVICE

By: /s/ Ben Civiletti
Ben Civiletti, Special Counsel
112 State Street
Montpelier VT 05620
802-622-4388
benjamin.civiletti@vermont.gov

competitive service providers to prevent a regulated monopoly public utility . . . from gaining an unfair competitive advantage within commercial marketplaces for products like [Heat Pump Water Heaters]”).