



FILED VIA ePUC

July 5, 2023

Holly R. Anderson
Clerk of the Commission
112 State Street
Montpelier, VT 05620-2701

Re: Case No. 22A-1621 Vermont Green Hydrogen Pilot Project

Dear Ms. Anderson:

On May 5, 2022, Vermont Gas Systems Inc. (“VGS”) provided notice pursuant to Section 5(d) of our Alternative Regulation Plan¹ that we intended to use Climate Action and Innovation Budget funds to retain Sanborn Head and Associates (“Sanborn”) for certain engineering services (the “Services”) related to advancing the Vermont Green Hydrogen Pilot Project at the GlobalFoundries campus in Essex, Vermont (the “Project”). Since no objection or request for formal process was received from the Department of Public Service (the “Department”) or the Commission during the thirty days following that notice, we proceeded with the expenditure. It has been one year since the Services were allowed. Accordingly, we are providing the Commission and the Department with an annual report of the Project’s progress as required by Section 5(f) of our Alternative Regulation Plan.

As discussed in our May 2022 filing, Sanborn was retained to complete five principal work products necessary to advance the Project. Below is a summary of each area and the status of work conducted:

1. Final Site Selection: Identify one development site from six initial possibilities.

Sanborn has conducted final evaluation of each site based on accessibility, space, and utility availability. In conjunction with staff at the GlobalFoundries campus, one site was selected.

2. Design Basis Update: Update initial design basis to incorporate changes and increase specificity.

Sanborn has completed design basis work.

¹ See Exhibit VGS-JMP-5 filed May 21, 2021 in Case No. 19-3529-PET.

3. Bidder Qualification: Conduct a Request for Qualification (“RFQ”) to identify a list of interested and qualified contractors in the hydrogen construction industry.

Sanborn has completed the RFQ.

4. Preparation of Request for Proposals (“RFP”): Produce and distribute an RFP to qualified bidders identified through the RFQ.

An RFP was issued in October 2022.

5. RFP Support: Provide technical vetting of proposals from qualified bidders.

Responses to the RFP were received in November 2022. Through Sanborn’s technical expertise, VGS has identified one development partner we intend to work with.

We estimated an expense of \$75,000 for Sanborn’s work on the items discussed above. To date, spend on this phase has totaled \$55,300. We expect some follow-up within the scope of the original request to finalize documentation and contracting with selected bidders.

Additionally, the Project is seeking grant funding through the Department of Energy’s (the “DOE”) Hydrogen Earthshot initiative. Timing and progress will be influenced by the DOE’s process, but we anticipate submitting notification related to the next phase of this Project in the coming months.

We are available to the Commission and the Department to answer any questions about this filing.

Respectfully submitted,

/s/ Mary G. Bouchard

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