

STATE OF VERMONT
PUBLIC SERVICE BOARD

Docket No. 7970

Petition of Vermont Gas Systems, Inc. for a)
certificate of public good, pursuant to 30 V.S.A.)
§ 248, authorizing the construction of the)
"Addison Natural Gas Project" consisting of)
approximately 43 miles of new natural gas)
transmission pipeline in Chittenden and)
Addison Counties, approximately 5 miles of)
new distribution mainlines in Addison County,)
together with three new gate stations in)
Williston, New Haven and Middlebury,)
Vermont)

Order entered: 9/12/2014

PROCEDURAL ORDER RE: LIMITED REMAND

I. INTRODUCTION

In today's Order, the Vermont Public Service Board (the "Board") establishes a schedule for reviewing on limited remand from the Vermont Supreme Court of this case the final order issued in this proceeding on December 23, 2013. The Board also directs Vermont Gas Systems, Inc. ("VGS" or the "Company") to file an update to Exhibit Board-1 reflecting the cost update as specifically instructed below.

On September 9, 2014, the Board filed a motion with the Vermont Supreme Court seeking a limited remand of the case in light of the July 2, 2014, VGS filing which provided notice to the Board that the estimated cost of the Project had increased by 41 percent (the "VGS Cost Update").

On September 11, 2014, the Vermont Supreme Court remanded this case to the Board. The Court's Order in its entirety provides that:

We grant the Public Service Board's request to remand this case to the Board to allow the Board thirty days to determine whether to reopen the proceedings in light of the new cost information. If the Board determines that the proceedings will be

reopened, it will have an additional thirty days to address the new cost information.¹

II. SCHEDULE

The Vermont Supreme Court has granted the Board 30 days to resolve the threshold question of whether the proceeding should be reopened in light of the VGS Cost Update. Thus, to address this issue expeditiously within the 30-day time frame, we are hereby setting the following procedural schedule:

Parties File Prefiled Testimony: September 22, 2014

Technical Hearing: September 29, 2014

Parties File Briefs: October 2, 2014

Last Date to Issue Order: October 10, 2014

III. REQUIRED VGS TESTIMONY

The Board intends to take evidence to use in deciding whether the proceedings in this case should be reopened to address the new cost information noticed in the VGS Cost Update. To this end, the Board directs VGS to provide an update to Exhibit Board-1 based upon the new cost information. VGS shall modify the analysis in Exhibit Board-1 so that it extends until the time when VGS's anticipated return on equity (as shown on VGS-1-1.1) equals or exceeds the Company's authorized return. In addition, the Board directs VGS to augment its analysis to show the annual and cumulative contribution (or shortfall) from the Project each year, assuming the carrying costs include VGS's authorized return on equity. VGS shall file this analysis both in hard copy and in Excel format.

SO ORDERED.

1. *In re: Amended Petition of Vermont Gas Systems, Inc.*, Supreme Court Docket No. 2014-135, Entry Order of 9/11/14; <http://mediad.publicbroadcasting.net/p/vpr/files/201409/supreme-court-remand-vpr.pdf>.

Dated at Montpelier, Vermont, this 12th day of September, 2014.

<u>s/ James Volz</u>)	
)	PUBLIC SERVICE
)	
<u>s/ John D. Burke</u>)	BOARD
)	
)	OF VERMONT
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OFFICE OF THE CLERK

FILED: September 12, 2014

ATTEST: s/ Susan M. Hudson
Clerk of the Board

NOTICE TO READERS: This decision is subject to revision of technical errors. Readers are requested to notify the Clerk of the Board (by e-mail, telephone, or in writing) of any apparent errors, in order that any necessary corrections may be made. (E-mail address: psb.clerk@state.vt.us)