

**STATE OF VERMONT  
PUBLIC UTILITY COMMISSION**

Tariff filing of Green Mountain Power Corporation to revise the power supply, retail revenue, and exogenous adjustors, and to adjust base rates to remove previous exogenous adjustor embedded in rates, pursuant to its Multi-Year Regulation Plan, effective with bills rendered on or after April 1, 2020	) ) ) ) ) ) )	Case No. 20-0399-TF
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**GREEN MOUNTAIN POWER’S MOTION FOR TEMPORARY POSTPONEMENT OF THE FINAL PHASE OF MERGER RATE INTEGRATION DUE TO COVID-19 AND SUPPORTING MEMORANDUM OF LAW**

NOW COMES Green Mountain Power Corporation (“GMP”), by and through its attorneys, and requests that in continued recognition of the severity of the ongoing COVID-19 crisis, the Commission approve a limited delay to the implementation of the final phase (Step 5) of the integration of remaining legacy rate classes from pre-merger GMP and Central Vermont Public Service Corporation (“CVPS”) as ordered in Docket No. 8525, which is due to occur on April 1, 2020. GMP is looking at all available means to reduce financial stress and changes on customers during this pandemic, and believes that delayed implementation of these rates for several months is the right thing to do for customers, and will benefit a majority of affected Commercial & Industrial (“C&I”) customers by providing relief from the rate increase slated to occur during this period. Less than half of C&I customers would have seen a decrease under Step 5 integration, however all customers will still see a decrease in rates on April 1, 2020 as a result of the delay of the proposed quarterly adjustors. GMP therefore respectfully requests that the Commission approve a temporary postponement of Step 5 implementation as soon as possible for an additional six months while the COVID-19 situation unfolds in Vermont. GMP will carefully monitor and update the Commission as to whether any further delay may be

warranted at that point to best serve customers during this unprecedented and unusual time. In support of this request, GMP states as follows:

1. In approving the merger between GMP and CVPS, the Commission ordered that all tariffs beyond the general residential tariff be integrated after the Commission approved a new fully allocated rate design. See *Final Order* at Condition 25, Docket No. 7770 (June 15, 2012).
2. Pursuant to the Commission's order, GMP filed a revised rate design in 2015 in Docket No. 8525. The rate design included the proposal to integrate the remaining legacy rate classes from pre-merger CVPS and GMP tariffs on a phased-in schedule. The schedule was designed to bring together customers in General Service and C&I rate classes over a 5-step, 5-year process with the goal of minimizing annual bill impacts to the customers taking service under these rate classes. This process was agreed to in a Memorandum of Understanding ("MOU") among GMP, the Department of Public Service ("DPS"), GlobalFoundries U.S. 2 LLC ("GlobalFoundries"), and Omya, Inc. ("Omya"), and was approved by the Commission on March 24, 2016 in Docket No. 8525.
3. Each step of the 5-step phase-in was designed to be rate neutral. The phase-in began in April of 2016, with each subsequent step taking place on April 1<sup>st</sup> of the following year. Step 2 was implanted on April 1, 2017, Step 3 on April 1, 2018, and Step 4 on April 1, 2019. The last and final phase, Step 5, is due to take effect on April 1, 2020. After Step 5 is completed, there will no longer be any price or term differentiation between legacy-CVPS and legacy-GMP customers.
4. Step 5 affects smaller General Service and larger C&I customers under legacy sub-rates 2, 2D, 6, 10, 4, 5, 16 and 63/65. Many of these customers are likely to be substantially,

and possibly critically, affected by the COVID-19 crisis. GMP's goal is to provide any stability and relief possible during this time.

5. The tariffs filed with the Commission as part of GMP's February 12, 2020 tariff filing pursuant to its Multi-Year Regulation Plan ("MYRP") incorporated this final step of rate integration. That tariff filing has been assigned Case No. 20-0399-TF. The Commission has since ordered GMP to file new updated tariffs as soon as possible in this docket.<sup>1</sup>
6. As GMP has previously noted to the Commission, it is fully engaged on the COVID-19 response, with a focus on keeping customers and employees safe, and continuing to deliver reliable service during these unprecedented times. GMP seeks to ease the disruption and potential financial hardship for its customers to the extent possible, and has taken several other measures including our recent request to delay implementation of certain quarterly adjusters (which the Commission has just approved)<sup>2</sup> and temporarily suspending disconnection and collections activity. In this rapidly unfolding situation and in the same vein, GMP also believes that temporarily postponing Step 5 of the merger rate implementation by six months will ease potential instability and financial impact for many of the C&I customers that will be affected by this last phase of the legacy rate integration.
7. While not all customers will experience a rate increase when Step 5 takes effect, the majority of affected customers will. A temporary delay in the effectiveness of these tariff

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<sup>1</sup> See *Order Closing Petition Case, Granting Request to Delay Implementation of Upward Adjustments, and Setting Deadline for Recommendations* at 3, Case Nos. 20-0277-PET & 20-0399-TF (Mar. 19, 2020).

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

components will therefore avoid a rate increase and provide an immediate benefit to nearly 20,000 customers during this unprecedented period of time. As noted above, less than half of C&I customers affected by the Step 5 integration would have seen a decrease, however all customers will still see a decrease in rates on April 1, 2020 as a result of the delay of the proposed quarterly adjustors.

8. GMP has discussed this proposal with the other parties to the MOU approved in Docket 8525—DPS, GlobalFoundries, and Omya. GMP understands that GlobalFoundries and Omya support and do not object to this proposed temporary delay given the continuing, unfolding impact of the pandemic. GlobalFoundries will not be impacted by the delay due to the term contract that superseded the legacy rate integration plan (*see* Case No. 18-3160-PET). Omya will experience a slight rate decrease when Step 5 takes effect, but even so, has agreed to the delay in implementation, in light of the instability of the COVID-19 virus and the benefit a delay will provide to other Vermonters in this difficult time. GMP understands that the Department will be filing a response to this Motion promptly to provide the Department's position.
9. GMP has attached tariff sheets with the delayed implementation of Step 5 rate changes incorporated, to take effect April 1.
10. GMP understands this request is unusual—specifically the quick turnaround on timing—but GMP is trying to be flexible as we work in these very unusual times, to keep customers and employees safe and healthy, provide reliable essential service, and alleviate financial stress on customers. The GMP team will communicate this change to all businesses, and also stands ready to provide further information as needed. The goal

was to alleviate immediate concerns and uncertainty for businesses now before the Step 5 integration takes effect.

11. GMP will continue to monitor the COVID-19 situation and in the event that it believes any further delay is warranted, will advise the Commission of this assessment well before the expiration of the six-month delay period.

#### Memorandum of Law

The proposed implementation of Step 5 rate integration was previously noticed and approved by the Commission in 2016 in Docket No. 8525. GMP respectfully requests that the Commission approve this temporary delay as promptly as possible under 30 V.S.A. §225(a), which allows the Commission to authorize rate changes with less than the typical 45-day notice, subject to DPS consent, and upon a showing of good cause. 30 V.S.A §225(a) (“upon application of any company subject to the provisions of this chapter, and with the consent of the Department of Public Service, the Commission may for good cause shown prescribe a shorter time within which such [rate] change may be made”). As outlined above, the unprecedented impacts of the existing COVID-19 pandemic provide good cause to temporarily pause this change prior to its scheduled April 1, 2020 implementation. GMP understands DPS will be filing a response to this request promptly.

#### Conclusion

For the reasons stated above, GMP respectfully requests that the Commission approve a temporary postponement in the implementation of the final phase in post-merger rate integration (Step 5) from April 1, 2020 to October 1, 2020. This delay will provide temporary relief to

thousands of small C&I customers that would otherwise experience a rate increase from the rate integration in these difficult times. Thank you for your attention to this matter, and we stand ready to respond to any questions you may have.

Dated at Burlington, Vermont this 24<sup>th</sup> of March, 2020.

GREEN MOUNTAIN POWER CORPORATION

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