

Green Mountain Power

Transportation Capital Planning Framework

GMP's statewide operations are supported by a transportation fleet of nearly 600 vehicles and mobile equipment with a wide range of vehicle types, including over 100 bucket and digger derrick trucks, 60 medium truck chassis between 3500 and 5500 series, 8 small boats for hydro facilities, 4 cranes, 2 semi/tractors, over 20 off-road tracked units, 18 fork lifts, 170 equipment and reel trailers, about 150 small cars/SUVs and light duty pickups and various ATVs, scissor lifts and mobile substations.

This diverse and distributed fleet supports all of our operations of field and office personnel, including transmission and distribution, power production, meter operations, substation operations, information technology and new initiatives. Fleet vehicles carry out our initial response when storms hit or transmission and distribution lines, and contribute greatly to our ability to recover from these events and provide resilient service for customers. Much of the heavy equipment, such as bucket trucks, digger derrick trucks and off-road tracked equipment, are operated in rural, rough terrain and extreme weather conditions whose engines run long daily duty cycles to power hydraulics and aerial equipment. The smaller vehicles vary in their use from field designers who meet with customers to scope out and design projects to our meter technicians who travel many miles to manage the integrity of our meter operations, to the small pool of vehicles available for other business travel. Most all of our vehicles—and especially those used for winter storm response—operate extensively during the snowy months and are subjected to salt brine damage. Trailers are used to transport equipment, haul poles, carry tools and other materials needed and install wire to support distribution infrastructure.

The entire fleet is maintained by 12 experienced diesel mechanics, who operate out of 4 district office garages in day and night shifts to ensure vehicle breakdowns and safety items experienced can be properly addressed and ready for work before the next work day. All aspects of maintenance activities are performed by the fleet team, ranging from routine vehicle services to welding and body work to complete engine overhauls. The fleet team is the lifeblood of the transportation fleet.

Fleet Objective: The fleet team strives to deliver high value to our customers by ensuring GMP operations are equipped with safe, reliable vehicles and equipment, striking an appropriate balance between cost and uptime.

We manage our fleet purchases and replacements to ensure our fleet is right-sized to our operations and overall workforce. The goal is for value to be recovered from fleet assets at an economical point in their lifecycle and for regular, predictable replacement to smooth out purchasing volumes and avoid price shocks and mitigate equipment scarcity and lead-time

impacts.

Our updated fleet replacement strategy is targeted to achieve the following replacement cycles:

- 1) 8-year replacement cycle for capital equipment such as heavy-duty bucket and digger derrick trucks.
- 2) 7-year replacement cycle for light-duty vehicles such as pickup trucks and pooled passenger cars/SUVs that accumulate miles more quickly than the larger vehicles.

Fleet Capital Planning Strategy: We develop our Fleet Capital Plan by assessing our needs against several criteria:

- **Safety:** Ensure that our vehicles are safe for travel and operation on public roads for both our employees, customers and the public at large.
 - Our fleet mechanics are licensed by the State of Vermont to perform vehicle inspections using the guidelines set by the VT Department of Transportation. Operators also perform daily checks of the vehicle and maintenance technicians perform overall safety and operational reviews during each scheduled service.
- **Age/Reliability Replacement:** Age and physical condition of vehicles are an important determining factor. As vehicles age, mechanical degradation, wear, rust, rot, and probability of catastrophic failure increases and repairs become more costly with longer downtimes from parts lead times and repair duration.
 - The final factor in identifying the vehicles to be replaced is the annual cost of maintenance. Because costs increase as vehicles age, our goal is to first replace the oldest units to reduce our overall cost.
- **Mix of Vehicle Types:** Our current fleet content is very broad due to the nature of the work being performed and type of travel. The mix of vehicles in the fleet includes both on- and off-road trucks and track units, trailers, ATVs, forklifts and small passenger vehicles, chosen dependent upon end use. For example, off road vehicles have become both a benefit to customers through more timely restoration in remote locations as well as a safety benefit for GMP employees, using an aerial lift where in the past this work was performed by climbing poles.
- **Resiliency & Preparedness:** Ensure that current fleet content is prepared to support GMP's storm response efforts and maintain reliable and resilient service for our customers. E.g., consider vehicle to grid capability when available for EVs; range/MPG; off road and storage capabilities.

- **Decarbonization and New Technology:** The Company continues to replace our existing fleet with the most efficient vehicles available and as with all of our work continue to find ways to reduce our fossil fuel consumption. Electric vehicles will become a significant component of our fleet over time to reduce carbon and long-term operating costs. Our current plan is to convert 100% of our passenger cars/SUVs and 25% of our light duty trucks to full EV by 2025 and continue that transition in the following years. In 2021, GMP received a grant and ordered 2 full electric trucks from Lion Electric; a Class 8 bucket truck and a Class 6 stake body truck. These 2 trucks will enter service in early 2022 and will mark the beginning of our transition path to full electric for our heavy trucks.