STATE OF VERMONT
PUBLIC UTILITY COMMISSION

Tariff filing of Green Mountain Power Corporation requesting a change in rates, effective October 1, 2026	)))	Case No. 26-____-TF
Petition of Green Mountain Power for approval of its new multi-year regulation plan pursuant to 30 V.S.A. §§ 209, 218, and 218d.	)))	Case No. 25-1955-PET

PREFILED DIRECT & SUPPLEMENTAL TESTIMONY OF KAMRAN HASSAN ON BEHALF OF GREEN MOUNTAIN POWER

January 16, 2026

Summary of Testimony

Mr. Hassan presents Green Mountain Power's ("GMP") overall capital investments included in this Fiscal Year 2027 ("FY27") rate case filing and describes the process used by GMP to develop and manage capital projects. Mr. Hassan then specifically addresses transmission and distribution ("T&D"), facilities, information technology ("IT"), and transportation capital projects. As supplemental testimony in support of GMP's new multi-year regulation plan ("Proposed Plan") filing, Mr. Hassan presents the capital forecasts for all GMP departments for the Proposed Plan period (FY27-FY30).

Exhibit List

Exhibit GMP-KH-1	Exhibit 2 to GMP-DPS MOU
Exhibit GMP-KH-2	Flowchart of GMP's Capital Planning Process
Exhibit GMP-KH-3	T&D Capital Planning Framework
Exhibit GMP-KH-4	T&D Capital Additions (FY26–FY27)
Exhibit GMP-KH-5	Transportation Capital Planning Framework
Exhibit GMP-KH-6	Transportation Capital Additions (FY26-FY27)
Exhibit GMP-KH-7	Facilities Capital Planning Framework
Exhibit GMP-KH-8	Facilities Capital Additions (2026–2027)
Exhibit GMP-KH-9	IT Capital Planning Framework
Exhibit GMP-KH-10	IT Capital Additions (FY26–FY27)
Exhibit GMP-KH-11	Proposed Plan Capital Summary (FY27–FY230)

TABLE OF CONTENTS

PREFILED DIRECT & SUPPLEMENTAL TESTIMONY
OF KAMRAN HASSAN
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I. Introduction

Q1. Please state your name and occupation.

A1. My name is Kamran A. Hassan, and I am the Leader of Engineering at Green Mountain Power ("GMP").

Q2. Please describe your educational and business background.

A2. In 2017 I joined GMP as an Electrical Engineer. Now, as Leader of Engineering my responsibilities include the oversight and direction of the planning and engineering of our T&D system. In this role I oversee much of our T&D budget, including substations, transmission lines, transformers, and other distribution equipment budgets. I joined the Capital Management Team ("CMT") in 2022, and I have transitioned from a participant primarily focused on the management of their own budgetary categories, to leading and administering the overall capital planning process, participating in the selection and approval of capital projects, and helping ensure projects are completed on-time and on-budget. Prior to GMP, I was a distribution engineer with Baltimore Gas & Electric in Baltimore, MD. I have also worked as an engineer in the aviation field both on Active Duty with the United States Air Force and as a contractor with Northrup Grumman Corporation. I received a Bachelor of Science degree in Electrical Engineering from George Mason University in Fairfax, VA and a Master of Science degree in Electrical Engineering from the University of Maryland in College Park, MD.

Q3. Have you previously testified before the Public Utility Commission ("PUC" or the "Commission")?

A3. Yes. I have provided prefiled testimony on behalf of GMP in numerous cases involving the construction and upgrading of both distribution and transmission substations and transmission lines, including Section 248 proceedings. Recent cases include: Taftsville to Windsor (Line 105) rebuild (Case No. 22-3085-PET); Fair Haven Uprate Declaratory Ruling Petition (Case No. 22-4530-PET); Pownal Center substation 248(k) Petition (Case No. 23-0300-PET); Berlin #40 substation upgrade (Case No. 23-0937-PET); Bolton #41 substation upgrade (Case No. 23-3496-PET); Pownal Center substation 248(j) Petition (Case No. 23-4034-PET); TL60 line upgrade in Salisbury, Middlebury, New Haven, and Weybridge, VT (Case No. 24-0636-PET); GMP's Fair Haven Substation relocation and rebuild (Case No. 25-0593-PET); GMP's Temporary Taftsville Substation 248(k) Petition (Case No. 25-1821-PET); and GMP's Irasville #39 Substation rebuild (Case No. 25-2468-PET).

Q4. What is the purpose of your testimony and how is it organized?

A4. My testimony introduces the capital investments GMP is making to serve customers for both our traditional rate case filing for FY27 and broadly over the term of the Proposed Plan.

First, I provide an overview of GMP's capital planning philosophy and the importance of our capital work to operate the grid safely and reliably for customers. I describe GMP's capital planning process and explain our approach to selecting, managing, and documenting capital projects.

Second, I provide detailed descriptions of specific capital projects we are undertaking in FY27 (rate year), including interim year capital projects completed or anticipated during FY27 in certain operating departments of the company. These include T&D, Facilities, IT, and Transportation. Capital investments in Resiliency are addressed by Michael Burke and New Initiatives, Customer Driven Storage, and Generation by Josh Castonguay.

Finally, in support of the Proposed Plan proceeding, I explain how GMP developed overall capital forecasts for the remaining years of the Proposed Plan, FY28-30 and discuss the anticipated investments. These forecasts establish the initial rate path for the Proposed Plan.

II. GMP's Capital Planning Philosophy

Q5. Can you describe the types of projects GMP invests in on behalf of its customers?

A5. To meet our obligations to customers, GMP maintains and manages a wide range of cost-effective, low-carbon facilities and infrastructure including hydroelectric, wind, solar, and energy storage. We also maintain an extensive transmission and distribution network that connects to and serves our customers, and the IT and communications equipment, transportation resources, and facilities needed to safely and reliably operate our system. Capital projects are required to maintain this critical infrastructure and to proactively harden and modernize the system into a more resilient grid that delivers benefits to customers now, becoming resistant to costly storms and generating value for customers with flexible distributed resources.

We plan for and execute capital projects across our six core operating areas: Generation (also called Production), T&D, IT (including Communications, Computer Software, and Computer Hardware), Facilities, Transportation, and New Initiatives. As described by Mr. Burke and Mr. Castonguay, our Resiliency and Customer Driven Storage programs also involve capital investments which are planned alongside this base level work. As described further in my testimony and that of our other supporting capital witnesses, we are focused on implementing projects across our operations to advance the transformation and resiliency our customers need, providing significant benefits while controlling costs.

Q6. What is the total amount of proposed capital additions included in the Rate Year?

A6. For the FY27 rate year, we are proposing $141M in capital investments within the functional areas that comprise base capital across departments, and an additional $76M in targeted Resiliency projects, described in detail by Mr. Burke, for a total of $217M.

Q7. Can you please explain how your filing identifies capital additions?

A7. The FY27 Rate Year filing builds off a comparison to FY25 (October 1, 2024–September 30, 2025), referred to as the Test Year, and accounts for base capital projects in FY26 (October 1, 2025–September 30, 2026), referred to as the Interim Year. The capital project exhibits identify and describe capital projects in each department in the Rate Year and the Interim Year.

The revenue requirement for the Rate Year is established by taking the Test Year amounts and adjusting for known and measurable changes that have occurred or will

occur in the Rate Year, including changes in overall rate base. With respect to capital, this includes the overall net change in capital between the end of the Test Year and the end of the Rate Year, including those that occur in the Interim Year. Capital projects that are added in the Interim Year and Rate Year are combined with net capital asset retirements in those same years to identify the overall change in rate base between the Test Year and the end of the Rate Year.[1]

It is important to note that the Interim Year is also the last year of the Current Plan. Although Interim Year projects are identified in our filing for purposes of establishing actual rate base balances at the beginning of the Rate Year for this case, these Interim Year projects will be completed under the Current Plan and subject to the overall cap on capital investment in it. The Interim Year projects are part of the total capital placed in service under the Current Plan.

Q8. How does the proposed level of capital investment in FY27 and over the term of the Proposed Plan compare to GMP's prior trend for capital spending?

A8. The FY27 capital budget reflects extensive capital planning by our capital departments and management team through the process I describe in detail below. These base capital investment levels are generally in line with base capital investment under the Current Plan, particularly when taking inflation into account. The Current Plan locked base capital investments over its term at $476M closed to plant over the four-year

[1] Ms. Doane and Mr. Bingel present overall rate base changes based on 13-month average balances in Exh. GMP-LD-RB-3, Schedule D.

plan period based on $131M of capital investments in our previous FY23 rate filing and $115M/year thereafter.[2]

In this plan period we are proposing $141M in base capital in FY27 and an average of approximately $116M per year for the remainder of the Proposed Plan described in detail below in Section IV, for a total locked base capital of $489M over the four years.

We are also proposing separate specific resilience investment to address increasing storm damage and associated restoration and other operational costs on our worst performing circuits over the next four years, which builds on the up to $150M in resilience work over the term of the Current Plan approved in Case No. 23-3501-PET and currently underway. Mr. Burke's testimony outlines the performance improvements our ongoing resiliency work is already producing for customers on targeted circuits and describes our additional planned work. For FY27 we are proposing a resilience budget of $76M to continue this important work, with an average investment of $85M per year over the term of the Proposed Plan, for a total locked resilience investment of $341M. Section VIII of my testimony summarizes these four-year capital forecasts in more detail.

[2] GMP also requested and received approval for up to an additional $31M in capital to support the customer-driven Energy Storage System program during the Current Plan.

Q9. How does GMP propose to manage its capital projects in the Rate Year and the other years of the Proposed Plan?

A9. We have prepared the FY27 capital investments based on known and measurable documentation and we are proposing the same treatment to manage overall capital projects in the Proposed Plan that was approved during the Current Plan, maintaining year-to-year flexibility.

The ability to manage projects across years has proven to be a key feature of our Current Plan. Many factors affect the final closing date of any particular project, including, but not limited to, the availability of equipment and materials and the timing of obtaining necessary easements and land rights, permitting, and other approvals that may affect the start or end date of a project. Plus, there is a significant amount of customer required work that arises year to year outside of our project planning where we have timelines to meet to address those customers' needs. The overall capital process allows us to continue to take these circumstances into account and provides options for GMP to complete the right set of projects for customers when they are ready and permitted year to year, subject to the total cap approved in the Proposed Plan. Resilience investments will be tracked separately from base capital amounts and are subject to a separate four-year cap on the amount closed to plant, as described in Mr. Burke's testimony.

In addition, as described further in Mr. Burke's initial testimony on the Proposed Plan, we have limited capital exceptions under the Proposed Plan. As a result, beyond Commission-approved additions for Customer Driven Storage programs, described further in Mr. Castonguay's testimony, or investments for specific potential renewable

projects, including repowering of Searsburg Wind or the potential purchase of Deerfield Wind, any other changes in capital investments would require an amendment to the Proposed Plan. This overall approach to capital management will enable critical infrastructure upgrades to provide customers with safe, reliable, clean power while also addressing operational cost pressures.

III. GMP's Capital Project Review and Approval Process

Q10. Before we turn to specific capital projects in the case, can you please explain GMP's annual capital planning process?

A10. As Mr. Burke described in his initial testimony supporting GMP's Proposed Plan, GMP has an established capital planning process to deliver projects that provide meaningful benefit to customers. This starts with the development of annual department capital budgets, which include consideration of the broader strategic alignment of potential projects, and a detailed evaluation of which projects should move forward each year. In any given year, the specific projects pursued by our capital teams will be guided by the department's general capital planning framework. Team project selection takes into account long-term strategic planning goals, as articulated in GMP's IRP and department-specific plans, and emerging needs each year that require prompt solutions.

The planning process incorporates and empowers our colleagues with on-the-ground experience to help identify and select the projects that will deliver strong benefits for customers. Ultimately, department budgets contain a list of recommended projects in the Rate Year. These recommendations include justifications for each project—such as

improved safety, improved reliability, regulatory compliance, improved operational efficiency, and improved customer service—and cost benefit analyses when needed. Most projects have multiple benefits like safety and reliability, for example. Any projects required for safety, regulatory requirements, or other permits/certifications are prioritized.

GMP's CMT is comprised of members from across departments who work through an iterative process to review the proposed annual budget and confirm priority projects to achieve the best overall outcomes. The CMT consolidates each department's budget into a final approved capital budget, in this case for the FY27 Rate Year. As noted above, this process necessarily contemplates some year-to-year flexibility to adjust and substitute projects each year depending on factors that limit individual project completion, as described above and in Mr. Burke's Proposed Plan testimony.

GMP documents each budgeted project in a capital folder following the documentation standard established in Exhibit 2 to the Memorandum of Understanding ("MOU") between GMP and the Department of Public Service ("DPS" or the "Department") in Case No. 17-3112-INV, which I provide as **Exhibit GMP-KH-1** (the "2018 Rate Case MOU").[3] This MOU established the documentation necessary to meet the known-and-measurable requirements for capital projects in a traditional cost-of-service rate case. The MOU provides that "the documentation standards outlined in Exhibit 2 shall also apply in any future alternative or non-traditional rate cases from GMP

[3] The 2018 Rate Case MOU was also provided as **Exh. GMP-MB-1** in the Proposed Plan filing.

unless or until a separate documentation standard is established by the Commission or by express agreement between the Department regarding documentation in such cases."[4] We have used this standard in developing documentation for this case and will continue this approach throughout the Proposed Plan.

Exhibit GMP-KH-2 is a flowchart that outlines the steps in our capital planning and documentation process. Based on our experience prior to and during the Current Plan, this standard capital planning and documentation approach, together with the flexibility in year-to-year spending allowed by the regulation plan framework, is an effective way to manage capital projects and optimize the use of resources within GMP.

Q11. Can you please provide a brief explanation of the information that is contained in each capital folder?

A11. For each individual project, we prepare a capital folder that contains the information necessary to support and evaluate the proposed expenditure. In summary, each capital folder contains the following six types of documents:

1. **Financial Analysis:** This document provides an overview that summarizes the project, explains the purpose of the project, why it is justified now, and identifies the relevant costs and associated qualitative and quantitative customer benefits. The Financial Analysis document also identifies the alternatives GMP considered,

[4] 2018 Rate Case MOU at ¶ 26.

outlines the cost of those alternatives where that information is reasonably available, and explains why the alternative was selected.

2. **Capital Summary:** This is a spreadsheet that summarizes all the capital expenditures for each project. This information is maintained in GMP's Utilities International budgeting and financial software (often referred to as "UI"), which generates the summary spreadsheet. This document summarizes and has individual tabs for: (a) actual costs to date (a printout from our financial system, Oracle, is provided to support these charges; any external costs of greater than $5,000 are supported by a vendor invoice); (b) internal labor (GMP estimates the hours required to complete a project based on previous like-kind projects or estimates from field employees to complete the work; these hours are entered based on the employee type and are calculated using an average labor rate for that type of work); (c) contractor costs (supported by vendor quotes for hourly costs or individual project quotes when applicable); (d) materials purchased direct (supported by vendor quotes for the materials needed when applicable); (e) materials from stock (users identify the stock items required for the project and the amount is calculated based on the exported cost multiplied by the quantity estimated; costs are exported from our Oracle financial system); and (f) overheads (calculations of all overhead rates are supported by the cost calculations for each indicating how the overhead is applied; the calculation is built into the budget tool so that all overheads are applied consistently).

3. **Additional Costs or Savings:** when applicable, the folders include documentation to quantify the other project costs that are not capital expenses (primarily estimated increases in O&M or other annual carrying costs that are not captured in the UI capital tool) and summarizes the reasonably quantifiable benefits of each project, such as avoided costs.

4. **Known and Measurable Documentation** – Proposals, Bids, Quotes, or Estimates (based on similar work): Documentation supporting project budgets for work that has not yet been performed, representing the decision making information available at the time the project was developed and approved (these documents support the summary of contractor and direct costs including the Capital Summary Spreadsheet).

In addition to this documentation, major projects with capital budgets greater than $2M will contain either a quantitative cost-benefit analysis evaluating the net present value of each project, or an explanation of why the project meets one of the identified exemptions for this cost-benefit requirement. Capital folders are also prepared for each capital blanket used by individual departments, but as described below, these folders are based on review of five-year spending history for each blanket category. Capital folders are provided to the Department in conjunction with this filing to facilitate its review of the proposed projects, and any of the folders can be provided to the Commission on request.[5]

[5] With the exception of IT project folders that are not provided electronically, in order to safeguard security; we will work directly with the DPS to enable appropriate, secure review of these.

Q12. After individual projects are selected, how does GMP track and monitor implementation of its projects and overall capital investments?

A12. Teams track and monitor project development at the department level and through the CMT. This includes a monthly review of the status of projects at the department level, and individual teams may track projects on a more frequent basis depending on the scale and type of project. The CMT regularly reviews overall capital expenditures and the status of each department's capital work to date against the overall budget and anticipated in-service dates. As noted above, during the Current Plan period and as proposed for the Proposed Plan, each team evaluates anything unexpected that arises in project development—such as permitting, supply chain updates, or unexpected equipment problems—and manages selection of projects as necessary to deliver within the anticipated budget. If a planned project encounters unexpected delays, each team works to substitute important projects and prepare capital folders for the new projects.

As part of the Current Plan, GMP is also reporting overall annual capital investment levels in its performance metric reports—including specific additional reports for ZOI/Resiliency projects and storage investments—and we propose to continue this transparent tracking and reporting requirement as part of the Proposed Plan. This is an important component to keep capital projects on track and consistent with the proposed overall capital level approved under the regulation plan framework

IV. FY27 T&D Capital Projects

Q13. Please explain GMP's approach to developing T&D projects.

A13. Our T&D investments are guided by the team's capital planning framework, provided in **Exhibit GMP-KH-2**, which prioritizes selecting projects that are important to deliver safe and reliable power to customers. For the T&D team, these overarching priorities include:

- Safety Improvements
- Reliability & Resiliency Improvements
- Efficiency Improvements
- Capacity Improvements
- Compliance with Regulatory Requirements (including line extensions, generation interconnects, municipal and state relocations, third-party attachment projects, and service-quality work)

The work presented here is what is required to maintain the T&D system, serve customer load, meet our regulatory requirements, and above all ensure safety; it stands apart and complements the targeted Resilience project work that Mr. Burke describes in his testimony. Many of these routine T&D projects will also provide increased resilience as a secondary benefit in the process of addressing other T&D priorities. That is because GMP, like other utilities, utilizes standardized, storm-hardened construction methods when rebuilding or installing new distribution line assets, rather than bare-wire construction. Similarly, important system upgrades, such as improved sectionalizing through the addition of SCADA controlled switches and circuit breakers or the addition

of animal guards, improve both reliability and resiliency, while also increasing operational efficiency to lower everyday maintenance costs now for customers. For all these priorities, the T&D team always looks for cost-effective solutions to complete required work while achieving multiple goals or benefits where possible.

Q14. Please summarize the categories of T&D projects included in the cost of service for the Interim Year and Rate Year.

A14. With respect to specific T&D projects in the FY27 case, the sub-categories of work include Distribution Lines, Distribution Substations, Distribution Equipment Purchases, Transmission Lines, and Transmission Substations. As in our 2019 case, and consistent with the 2018 Rate Case MOU, any single planned capital project that exceeds $250,000 has project-specific documentation. Projects in these categories below $250,000 are handled through blankets. The Distribution Line, Distribution Substation, Transmission Lines, and Transmission Substations each have individual projects above $250,000 and blankets. The Distribution Equipment Purchases category has no planned purchases above $250,000 and therefore is reflected only in a blanket.

Q15. Please summarize the T&D plant additions for the Interim Year and Rate Year.

A15. The T&D team will complete $40M in capital projects in the Interim Year and $63M in the Rate Year. More detailed information about projects in each of these T&D categories, including a project description, plant addition amounts, in-service dates, and project criteria is contained in **Exh. GMP-KH-3**. I address individual projects in each category below, followed by a discussion of the blankets.

A. Distribution Lines

Q16. Please describe the type of projects included in the Distribution Lines category.

A16. This category of projects represents the individual distribution line projects that are over $250,000 in total cost (sometimes referred to as "large-cap" projects). These include important distribution line rebuilds or relocations so we can continue to provide reliable service. Distribution line projects that are under $250,000 are handled in the Distribution Line blanket (sometimes referred to as the distribution line "small-cap" blanket) discussed below. We anticipate spending an estimated $8.4M in the Interim Year and an estimated $8.5M in the Rate Year on these projects. A list of the distribution line capital expenditures is contained in **Exh. GMP-KH-4.**

Q17. Can you describe one of these individual projects in the Distribution Line category?

A17. The Fair Haven Distribution Tie to the new Fair Haven substation (Project No. 195395) is an example of an operational efficiency and reliability driven Distribution Line project over $250,000 in cost. The primary purpose of this project is to accomplish a voltage conversion by upgrading the assets on the J26 and J28 circuits, in support of the Fair Haven Substation Rebuild project. The existing Fair Haven circuits operate at 4.16 kV. Once converted to 12.47 kV the lines will have the ability to be tied to adjacent circuits of a similar voltage thus improving the reliability of the customers fed from the Fair Haven substation through feeder backup, in this case to the Hydeville Substation. This new tie will also benefit customers fed from the Hydeville Substation. The converted lines, which will include new wire as well as poles and associated hardware, will be constructed using our storm hardened standards. Although this project has a distinct

driver — the voltage conversion — the project will provide a resiliency benefit to the customers it feeds through the incorporation of storm hardened construction. These lines were first constructed in 1966 and have had only minor repairs and replacements due to storm and other damage. This project also increases capacity and reliability for future electrification and distributed generation resources.

B. Distribution Substations

Q18. Please describe the type of projects included in the Distribution Substation category.

A18. The primary type of projects included in GMP's Distribution Substation capital investments are reliability and safety projects, which focus on replacing substation equipment that has reached the end of its service life or become obsolete in terms of its capabilities or manufacturer support. Many of our substation transformers, breakers, reclosers, and protection systems are 30 years old or older. The probability of failure starts increasing after 30 years of service and continues to increase as the age of equipment increases. Proper maintenance and diagnostic testing can extend the life of substation transformers and other equipment, but eventually it must be replaced because of failure risk, obsolescence, or the unavailability of spare parts. We anticipate spending $5M on individual projects in the Interim Year and $7M in the Rate Year on these projects.

Q19. Can you please describe a type of Distribution Substation project included in this filing?

A19. Yes. As an example, our "Fair Haven Substation Rebuild" project in Fair Haven addresses aging assets, safety, and resiliency. This project received a Certificate of Public

Good in Case No. 25-0593-PET, relocating the substation out of a flood plain and achieving a voltage conversion that provides greater area operating flexibility for feeder backup. Both benefits increase overall resiliency for the area. The Project consists of relocating and reconstructing the substation from its existing location to a new location. The upgrades will be comprised of increasing the size of the voltage regulators to 438 amp voltage regulators for both circuits and replacing the 1967 vintage transformer. Additionally, the substation will have a larger substation yard with new fencing, ground grid, conduit system, oil containment, lighting, and security system, as well as steel transmission and distribution structures. Details regarding all distribution substation capital expenditures are provided in **Exh. GMP-KH-4.**

C. Transmission Lines

Q20. Please describe the type of projects included in the Transmission Line category.

A20. The Transmission Line projects to be undertaken by GMP include reconductoring, structure replacements, and grid automation to address reliability, safety, and the potential overloading of lines. We anticipate spending an estimated $3.3M in the Interim Year and an estimated $4.8M in the Rate Year on these projects. A list of the Transmission Line capital expenditures is contained in **Exh. GMP-KH-4**, which also includes a description of each of the proposed projects. I describe one of the major transmission line projects below.

Q21. Can you please provide an example of the type of a Transmission Line project included in this filing?

A21. Yes. TL65 Pole Replacements is an example of a transmission line project in this filing. This asset condition project replaces seventy four (74) wooden pole structures along the TL65 transmission line between Pittfsford and Brandon. All proposed structures to be replaced are 1960 vintage or older, and have been flagged as deteriorating. This project is necessary at this time to maintain system reliability in the Rutland area.

D. Transmission Substations

Q22. Please describe the type of projects included in the Transmission Substation category.

A22. GMP's Transmission Substation capital expenditures are focused on reliability and safety projects, which involve replacing substation equipment that has reached the end of its service life or become obsolete and implementing power-quality improvements. GMP plans to invest $1.8M in the Interim Year and $12.5M in the Rate Year in these projects. The detailed description and project justifications for all Transmission Substation projects is provided in **Exhibit GMP-KH-4.**

Q23. Please describe an example of a Transmission Substation project in this filing.

A23. An example Transmission Substation project would be Welden St. breakers project. The primary reason for this project is to increase reliability in the area. The Welden St. substation contains obsolete equipment, including the B-11, and B-13 34.5-kV circuit breakers, which are all 1958 vintage oil circuit breakers and will be replaced with 34.5-

kV vacuum circuit breakers. The existing substation Remote Terminal Unit ("RTU") will be replaced with a new microprocessor-based RTU, as well as upgrades to the Protection and Control equipment. The existing ground grid will be upgraded, and security cameras added. All of these upgrades will improve reliability, safety, and security for the area.

E. T&D Blankets

Q24. Can you identify the T&D blankets and explain the purpose of these blankets?

A24. Yes. Five types of T&D blankets are utilized: (1) Distribution Lines Small; (2) Distribution Line Extensions; (3) Distribution Equipment Purchases, (4) Distribution Substations, and (5) Transmission Lines & Substations. Blankets are used for categories of investment where the anticipated level and need for capital is known based on our experience, but the exact location of work or the individual projects that will be required cannot always be known in advance. Blankets also cover work dictated by third-party needs that arise outside of our annual planning process. These include, for example, requests for relocation requested by the State or municipalities, customer installations, new renewable energy project interconnections requested by developers, or pole replacement due to damage from accidents or based on our pole inspection program. These projects, while not specifically identifiable year to year, are important—they are often driven by customer demand and can have an immediate and obvious benefit for our customers through reduced and shortened outages and the quality of power delivered. The need to quickly undertake these projects, coupled with the unpredictability of when they will occur, requires us to have a financial mechanism to respond quickly and efficiently.

Q25. What is included in the five different types of T&D blankets?

A25. The Distribution Lines Small and Distribution Line Extension blankets are for distribution line projects $250,000 or less. Projects in these two blankets include: (1) reconstruction and rebuild projects primarily for safety, efficiency, and reliability of the distribution system; (2) customer-requested line extensions, relocations, and upgrades (handled under our line-extension tariff which adheres to PUC Rule 5.600 and PUC Rules 5.100 and 5.500 for electric generation interconnection); (3) road relocation projects (relocating T&D facilities for State- or municipality-initiated road or bridge construction); and (4) third-party reconstruction projects under PUC Rule 3.700 or joint ownership agreements (telephone or cable requests to upgrade and relocate joint facilities). GMP continuously examines our equipment and circuits to identify capital reconstruction and additions based on asset management, outage history, and impact on customers, safety of employees and customers, and cost. These types of projects will be planned like the Distribution Lines projects above but will be under the $250,000 threshold. The total for the Distribution Line Small blanket is $13M in the Interim Year and $16.8M in the Rate Year. The total for the Distribution Line Extension blanket is $4.9M in the Interim Year and $4M in the Rate Year.

The Distribution Equipment Purchases Blanket includes three equipment purchase blanket work orders for the purchase of transformers (WO36), meters (WO38), and regulators and capacitors (WO37). These capital purchases support the installation of new or replacement of deteriorated, obsolete, or failed equipment on the system. The total for the three Distribution Equipment Purchase Blankets included in rate base is $3M for the

Interim Year and $9.2M for the Rate Year. Unpredictable lead times led to uneven distribution equipment purchase spending within the Current Plan. As such, the Interim Year spending is lower than that of the Rate Year. Both are lower than the total five-year average for these blankets. Going forward, we are managing our inventory closely and setting budgets based on current use rates and delivery times rather than unknown timelines and stock level issues created with the pandemic and inflationary issues in manufacturing at the start of our current MYRP, so we can continually serve customers without running out of materials and ensuring that spending is not unnecessarily inflated.

The Distribution Substations Blanket (WO34) includes a number of unforeseen individual project expenditures to replace or repair deteriorated or failed equipment in distribution substations to maintain system capability and reliability. Total capital investments for this blanket are $1.1M for the Interim Year and $1.1M for the Rate Year.

The Transmission Lines & Substation Blanket (WO32) similarly includes individual project expenditures that are needed to replace or repair deteriorated or failed equipment in transmission substations and transmission lines to maintain system capability and reliability. We know these types of projects will occur based on experience but typically do not know the exact location of equipment that will require unexpected replacement in any given year. Projects in this blanket work order include but are not limited to replacement of equipment such as lightning arresters, batteries, breakers, transmission poles, and insulators. Total capital investments for the Transmission Lines and Substations blanket are $2M for the Interim Year and $2.1M for the Rate Year.

Q26. How are the proposed blanket amounts determined?

A26. Cost estimates for T&D blankets are established by reviewing past spending in each of the functional categories. For these blankets, the lesser of a five-year historical average adjusted for inflation, or the actual Rate Year budget was used. The FY27 budget for Transformers and Regulators & Capacitors was used to set the blanket amount because it is lower than the five-year average spending based on current usage as described above. Distribution Lines Small also uses the actual budget which has been forecasted lower than the five-year average. The five-year average is used for Meters.

V. FY27 Facilities Capital Projects

Q27. How are Facilities capital projects identified and selected?

A27. The Facilities team is responsible for maintaining GMP's 16 district operations and administrative facilities from which our teams serve customers all over the state. As reflected in the team's capital planning framework in **Exhibit GMP-KH-7**, the team focuses its project work on:

- Safety improvements
- Building efficiencies
- Compliance with regulatory requirements
- Reliability improvements
- Resiliency improvements

The Facilities team identifies and prioritizes projects on our properties and in our facilities to create and maintain safe working spaces that are cost-effective and help our teams deliver high-quality services to our customers.

Q28. Please identify the capital expenditures on Facilities in the Interim Year and the Rate Year.

A28. GMP is proposing $0.6M in capital projects in the Interim Year and $2.2M in the Rate Year. A detailed list of all capital projects in each of these categories, including project descriptions, estimated costs, in-service date, and applicable project criteria, is contained in **Exhibit GMP-KH-8**.

Q29. Can you please provide an example of a Facilities project proposed for the FY23 Rate Year?

A29. Yes. The O.H. Storm Water project will install a storm water treatment system on the campus of our Operations Headquarters facility in Rutland. This project is being completed in accordance with the Vermont Department of Environmental Conservation's (DEC) updated storm water rule and will improve storm water management on the property. New trenching and piping will be installed to direct storm water runoff to a new filtration system that will enhance water quality by removing various contaminants. GMP is required to comply with updates to General Permit 3-9050 by the end of 2028 and this project will ensure that compliance is achieved in a timely manner.

VI. IT FY27 Capital Investments

Q30. How are IT capital projects identified and selected?

A30. The IT Team develops and manages technology-based solutions that support GMP's operations and customers. IT (and related operational technology or OT) capital investments focus on cyber security, helping manage an increasing number of connected distributed energy resources (DERs), and helping GMP communicate securely with customers. **Exh. GMP-KH-9** describes the IT capital planning process, which identifies projects that deliver value through customer service, operational, capacity, resiliency, and security improvements, while exploring new technologies to deliver improvements and efficiencies.

The planning cycle for the IT Team's capital projects is unique, as planning occurs at a faster pace, driven by the rapid developments in this industry, changes in the threat environment, and support for innovative projects. Because of this, many projects are not identified or known well in advance as they are for the identified Rate Year projects for other departments. This allows the IT Team to implement projects with the best available technology and to react with speed and nimbleness to maintain our digital security.

In our FY23 rate filing, we sought, and the Commission approved a regulatory accounting practice unique to IT investments, reflecting this accelerated planning cycle.[6] Under that practice, we develop an overall IT Budget for the department based on a

[6] See Case No. 22-0175-TF

historical five-year average of IT investments. We still identify individual capital projects for the Interim and Rate Year, where they are known and measurable, which are included within the total budget. This approach works well to allow for planning consistent with the pace of IT developments, and we have used the same methodology to develop the IT Budget for this filing.

Q31. Please identify the capital investment level on IT projects included in this filing.

A31. We are proposing $8.9M in the Interim Year and $10.2M of overall capital investment in IT projects during the Rate Year. As described below, this Rate Year total uses the actual budget, which is lower than the five-year average. It includes the traditional IT blanket for smaller, as-needed projects, and individual identified FY27 projects within this total IT Budget. **Exh. GMP-KH-10** sets out the individual projects included within the budget as well as the calculation of the remaining component of the IT Budget for work to be determined in the Rate Year. As we have done previously, specific details including hardware and software types have been withheld given the serious cybersecurity value of this information and the risk to critical infrastructure and customer information. This information is available on site and can be made available to the Department and Commission on request.

Q32. What individual projects expected to close during the Rate Year are included within this filing?

A32. We have identified several IT projects closing during the Rate Year at this time. These projects represent approximately $1.4M of the IT Budget request and are also included

within this filing as set forth in **Exh. GMP-KH-10**. The most significant of these Rate Year projects include:

Website Enhancements

This project will continue improving GMP's website, which customers rely on to pay bills, report outages, view usage history, and access other important information. These enhancements will improve performance on mobile devices, incorporate Google and Apple Pay for easier bill payments, and keep everything accessible, secure, and efficient.

Notification Enhancements

Along with the website enhancements, we will also be updating our notification system, which delivers important messages such as outage alerts, payment reminders, and service updates. Enhancements will include the ability for customers to confirm receipt of messages (for example, by pressing a button on their phone), improved tracking of whether messages were successfully delivered, and new options for sending customized notifications to specific groups of customers. Overall, this project ensures that customers receive timely, accurate, and clear information in ways that are most helpful to them.

Control Center Management Suite

This project will modernize and consolidate operational processes in GMP's Control Center which is responsible for outage tracking and management, switching operations, and other operational events, along with logging and tracking. These upgrades will streamline workflows for the Control Center team and align with GMP's operational and cybersecurity standards.

Q33. Beyond these specific FY27 projects you have identified, how will the IT team utilize the remaining IT Budget requested here?

A33. Based on our experience operating within the Current Plan's budget, we know that we will continue to make investments at the level set by the IT Budget in the Rate Year. While we expect priorities and requirements will shift to respond to changing circumstances within the IT planning environment, some of the general areas of focus for the IT team in the rate year will include: continued advancements in cybersecurity to meet an expanding threat environment using controls recommended by the National Institute of Standards and Technology (NIST), CIS Controls v8 Framework, and NERC Regulatory Frameworks; related improvements in operational security and system hardening; continued support of DER programs and other innovative work including next generation advanced metering infrastructure (AMI); updating core financial and other administrative software for team members; and prudent adoption of artificial intelligence tools to streamline workflows and generate cost savings for customers.

VII. FY27 Transportation Capital Investments

Q34. How are transportation capital projects identified and selected?

A34. GMP's transportation fleet is key for performing GMP's operations and storm restoration. All GMP vehicles, from line trucks to pickup trucks, are driven and used extensively, often in challenging weather conditions and on unpaved and off-road environments. Daily use, salt and brine used to reduce road ice, and extreme weather conditions all take their toll on our vehicles. The fleet mechanics properly service all vehicles and ensure they are in safe operating condition, but as the fleet ages, it requires

more than typical services, and in many cases, complete frame restoration and rebuilds due to age and high mileage. To provide safe vehicles for crews and optimize maintenance, GMP's fleet plan includes the addition of newer vehicles into the fleet reducing the average age of the fleet over time, and electrifying vehicles in the car and pickup truck categories. Consistent with the current plan, GMP will also continue to pursue vehicle leasing as an alternative to purchases where it presents a least cost solution to ensuring a serviceable fleet, such as we currently are with our large T&D vehicles, line trucks and bucket trucks. GMP's Transportation Capital Planning Framework is provided in **Exh. GMP-KH-5**.

Q35. Please identify the capital expenditures on transportation projects during the Rate Year and Interim Year.

A35. GMP is proposing $4.3M in fleet-related capital projects during the Rate Year. This includes the addition of 30 Small Vehicles, 10 Electric Vehicles, and 1 Electric Digger Truck. Interim year Transportation capital projects total $3.1M, based on the addition of 9 Small Vehicles. A detailed list of all fleet-related Rate Year and Interim Year capital projects, including project descriptions, estimated costs, in-service date, and applicable project criteria, is contained in **Exh. GMP-KH-6**.

VIII. FY24–FY26 Capital Forecasts

Q36. Can you describe the level of investment necessary to support capital projects during the term of the Proposed Plan to meet customer needs?

A36. Based on our evaluation, the overall capital investment level for the four-year term of the Proposed Plan is $489M closed to plant from FY27-FY30. This investment gives GMP the responsibility and flexibility to manage the overall capital projects during the period in the same way we have under the Current Plan. Resilience projects will be capped and managed in the same way, under a separate budget, at a total of $341M closed to plant over the four-year term. As outlined in **Exh. GMP-KH-11**, and **Table 1** below, capital investment breaks down as follows across each department:

Table 1.

Construction Summary by Category	FY27	FY28	FY29	FY30
Information Technology	10,233,129	8,000,000	8,000,000	8,000,000
Customer Driven Storage	17,411,184			
Distribution Lines Large	8,534,335	7,300,000	7,500,000	7,700,000
Distribution Lines Small	16,846,688	18,000,000	18,000,000	18,000,000
Distribution Lines Extension	3,986,402	6,400,000	6,500,000	6,700,000
Distribution Substation	7,043,463	4,400,000	5,400,000	8,400,000
Meters	1,524,065	3,200,000	3,200,000	3,200,000
General Plant	524,859	600,000	600,000	600,000
New Initiatives	11,828,040	4,000,000	4,000,000	4,000,000
Generation (incl. JO)	31,854,869	28,500,000	28,500,000	27,400,000
Property & Structures	2,177,826	2,400,000	2,400,000	2,400,000
Regulators and Capacitors	1,559,638			
Transformers	6,159,753	6,400,000	6,600,000	6,800,000
Transmission Lines	4,799,012	10,000,000	10,000,000	10,000,000
Transmission Substations	12,475,456	8,100,000	11,300,000	15,000,000
Transportation	4,259,403	3,300,000	3,300,000	3,300,000
Subtotal	**141,218,122**	**110,600,000**	**115,300,000**	**121,500,000**
Resiliency Projects	75,996,876	95,000,000	90,000,000	80,000,000
Total	**217,214,998**	205,600,000	205,300,000	201,500,000

There is greater certainty on specific individual projects in the early years, while the anticipated investment levels identified in later years reflect preliminary planning that will evolve and be refined. This approach follows the Current Plan, and the Plan before it, where the point of these forecasts is not to precisely establish now the specific projects that will be implemented in each year in each category, but rather to establish, at a planning scale, the capital level we anticipate will be needed to meet our obligations to

customers. **Exhibit GMP-KH-11** provides a narrative description of the types of projects each departmental team anticipates in each fiscal year of the Proposed Plan and as noted above, the level of detail varies by project and year. Although some teams have identified specific anticipated projects, the narratives are intended to be representative of the types of projects each team will pursue during the term of the Proposed Plan.

Q37. Can you further explain the methods of analysis that were used to develop the proposed capital investment levels?

A37. The proposed level of capital projects was developed by reviewing the anticipated capital needs across departments, prioritizing projects that will result in real-time cost savings for customers, whether through managing maintenance costs with timely repairs and replacements or advancing programs that provide additional customer financial benefit, and considering the effect proposed projects will have on rates during the term of the Proposed Plan, seeking the right balance of investments to address existing and future needs, while minimizing potential rate pressure. For the Rate Year, proposed capital levels are informed by the detailed capital documentation prepared as part of the FY27 case, which establishes a known and measurable foundation for necessary capital spending levels in the Rate Year. Forecasts for future years are informed by known and measurable documentation, review of department level spending and any larger one-time projects that may have influenced the FY27 level, and by a CMT review of future anticipated capital needs across departments.

GMP department leaders work with their teams to identify the minimum levels of investment required to address known and anticipated necessary projects and programs,

based on an assessment of work needed to maintain our current levels of performance, reliability, and customer service, considering the need for prudent investments to proactively prepare for expected challenges such as increasing storms or evolving security threats. Mr. Burke speaks further to our specific proposed resilience investments and methods used to track those investments under the separate, locked capital investment cap for resilience work.

By setting rates that are informed by known and measurable documentation in FY27 and anticipated needs going forward, within a framework that sets the level of spending over the term of the Proposed Plan, GMP provides greater certainty on the capital investment to deliver necessary system-wide improvements.

Q38. Does this conclude your testimony?

A38. Yes.

I, Kamran Hassan, declare that the testimony and exhibits that I have sponsored are true and accurate to the best of my knowledge and belief and were prepared by me or under my direct supervision. I understand that if the above statement is false, I may be subject to sanctions by the Commission pursuant to 30 V.S.A. § 30.

Dated at COLCHESTER, VT on the 16th day of January, 2026.

Kamran Hassan