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 MICHAEL BURKE ON BEHALF OF GREEN MOUNTAIN POWER

January 16, 2026

Summary of Testimony

Mr. Burke's testimony provides a general overview of GMP's 7.50% rate request for Fiscal Year 2027 ("FY27"). He outlines the primary cost drivers in FY27, and offers broader context for this filing, with a clear focus on the operational efficiencies and disciplined strategies GMP is pursuing to control costs and deliver value for customers. His testimony explains how GMP's ongoing work to create a more connected and resilient system is being designed and implemented in ways that reduce both near- and long-term costs, improve system performance, and address avoidable expenses. It also provides updates on implementation of GMP's current Zero Outage Initiative ("ZOI") and describes how lessons learned from this work are informing GMP's resilience program in FY27 and the next Multi-Year Regulation Plan ("MYRP" or "Proposed Plan"), including updates to how capital supporting resilience work will be treated under the Proposed Plan. Finally, Mr. Burke's testimony also introduces GMP witnesses and describes additional analysis GMP has conducted with outside experts to rigorously evaluate the value of proposed resilience investments, highlighting that these efforts deliver net positive benefits for customers while reinforcing GMP's commitment to operational efficiency and prudent cost management.

Exhibit List

Exh. GMP-MB-2[1]	10 Year Total Storm Costs
Exh. GMP-MB-3	FY25 ZOI Projects (Closed April 1, 2025-Sept. 30, 2025)
Exh. GMP-MB-4	East Jamacia EJ-G7 Resilience Project Performance
Exh. GMP-MB-5	Map of East Jamacia EJ-G7 Annual Customer Hours Out (2020-2025)
Exh. GMP-MB-6	FY27 Resiliency Capital Additions

[1] Because this testimony is also filed as supplemental testimony in the Proposed Plan proceeding, Case No. 25-1955 PET, exhibit numbering in this testimony continues from the exhibits submitted in that case, ending with Exh. GMP-MB-1

TABLE OF CONTENTS

PREFILED DIRECT & SUPPLEMENTAL TESTIMONY
OF MICHAEL BURKE
ON BEHALF OF GREEN MOUNTAIN POWER

I. Introduction

Q1. Please state your name and occupation.

A1. My name is Michael Burke. I am the Vice President, Operations for Green Mountain Power ("GMP").

Q2. Please describe your background.

A2. I have worked for GMP since 1997, serving in many roles with the company, including customer service, meter service, and engineering design prior to my current role in leading field operations. Since 2009, I have served as the Field Operations Chief and now Vice President for GMP, overseeing the planning and execution of all our T&D field activities, including all restoration efforts from severe weather events. I also oversee work on pole attachments and broadband deployment and am a member of the Rural Resiliency and Adaptation Subcommittee of the Vermont Climate Council. I received a business management degree from Champlain College, completed the Vermont Department of Labor lineman apprenticeship three-year course, and have taken numerous engineering and operations courses while at GMP.

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

A3. Yes. I was a witness in GMP's broadband deployment rider petition and tariff, Case Nos. 15 24-0511-PET & 24-0509-TF; GMP's Zero Outages Initiative (ZOI) proceeding, Case

No. 23-3501-PET; GMP's currently in effect regulation plan (the "Current Plan"), Case No. 21-3707; and GMP's Climate Plan proceeding, Case No. 20-0276-PET, and in GMP's Proposed Plan, Case No. 25-1955-PET, among others. Although not formal testimony, I also participate in workshop proceedings before the Commission, including the Commission's prior winter storm proceeding and the current grid resilience workshops initiated by the Department of Public Service ("Department"), as well as following the Commission's Line Extensions Rule 5.600 workshops and other proceedings, such as GMP's Integrated Resource Plan.

Q4. Can you give us the context and overview of GMP's FY27 Rate Case filing?

A4. Vermonters in all corners of the state, including households, small businesses, and larger employers alike, are experiencing significant economic pressures in the form of higher costs for housing, health care, food, fuel, and other essentials. We are very aware of these realities and take seriously our responsibility to manage costs, operate efficiently, and employ strategies that produce immediate savings for customers and protect them from even greater costs in the future, all while delivering safe, reliable electric service. This filing reflects these responsibilities and continues with the long-standing customer-centered approach that guides our work.

For years, GMP has focused on lowering costs in real time and positioning the system to avoid higher costs over the long-term through disciplined operational efficiencies and strategic initiatives. One clear example is the significant efficiency gains we have achieved in our workforce. Over the past 12 years, GMP has reduced its staffing from approximately 760 employees in 2013 to about 520 today, while continuing to

maintain high reliability, provide exceptional service, and expand system capabilities. These reductions reflect deliberate process improvements, technology investments, and organizational efficiencies that have helped control operating costs, resulting in lasting savings for customers on the order of more than $160 million over the prior decade. As a result of this work, our O&M expenses remain among the lowest per customer compared to our peer utilities, while our overall customer satisfaction remains exceptionally high at 92.7% in 2025, with JD Power once again ranking GMP #1 in customer satisfaction for mid-size utilities in the East region last year.

As discussed further below, some of the most significant cost drivers affecting customers into FY27 are heavily influenced by outside forces and factors. Regional transmission costs, wholesale market prices, inflation in power contracts, labor, materials, and contractor services, and storm costs continue to exert upward pressure on rates here and across New England. Nearly all electric utilities are experiencing these same challenges. Our approach and what we describe throughout this filing is a continued focus on proactive steps to mitigate these external pressures wherever possible. This includes measures like actively managing load using storage and other flexible resources and carefully scrutinizing operating and capital costs as described throughout this filing.

As a result of this work, we have been able to moderate rate impacts relative to what customers might otherwise experience in today's volatile market environment. As an example, our flexible load resources, including our residential energy storage programs, are estimated to have saved customers more than $11M in power supply costs in 2025, and more than $26M since 2022. These efforts, along with others described in

this filing, are critical to maintaining some of the lowest average retail rates in New England compared to peer utilities.

Our focus on resilience is similarly rooted in affordability. Over the first three years of the Current MYRP ("Current Plan") customers have incurred more than $115M in total storm restoration costs, at an average of $38M per year. The impacts of these storm events are felt directly by our customers, both in increased restoration costs and the safety risk, stress, and personal costs of prolonged outages at their home or business. Continuing the focused work under ZOI through the next Multi-Year Regulation Plan ("Proposed Plan") to proactively address these customer needs and provide a safer, more resilient system is core to our approach. We are guided by the lessons we are learning on initial ZOI projects, new benefit-cost analysis further demonstrating value for customers, and the real benefits delivered by this work already. We have already seen an approximate 95% reduction in average customer outage hours during multiple high wind events on the East Jamaica EJ-G7 circuit in southern Vermont this year alone, eliminating an estimated 80,000 customer hours without power, and saving approximately $700,000 in restoration costs. By prioritizing outage-reducing resilience work today, we are responding to the immediate economic pressures our state is facing, improving customers' lives, and protecting Vermonters from even greater costs over time.

The FY27 filing begins the transition into the first year of the Proposed Plan, which with proposed modifications described in this testimony, will support, among other things:

- A four-year resilience program targeting GMP's least reliable circuits, where customers have been hardest hit by multiple severe weather events, and where

outages are more frequent and protracted, with annual program-level benefit-cost analysis informing project work.

- Continued implementation of energy storage, including customer-driven storage and a targeted Integrated Energy Storage resilience pilot, to ensure we continue to build a more reliable, two-way distributed grid.
- Continued use of rate-smoothing mechanisms and adjustors to moderate volatility while keeping rates aligned with actual costs to ensure we are asking no more from customers than necessary.
- Enhanced reporting, including expanded resilience metrics under the SQRP, enabling transparent tracking of outage reductions, restoration speed, and customer benefits.

The work we are proposing in FY27 and beyond offers a clear-eyed recognition of the economic pressures Vermonters are facing today and disciplined attention to the costs we can control in the here and now. It is also essential to manage future costs and protect customers from greater financial exposure over time. The FY27 filing and our initial forecasts developed for FY28 through FY30 demonstrate this balance. They reflect deliberate actions to constrain and stabilize costs over which GMP has more control, including capital expenditures and payroll, and incorporate savings expected in other areas that have been significant cost drivers in the past, such as minor storm expenses. Together, these measures support a predictable and stable rate path for customers. This filing, and the specific initiatives described further below and by other witnesses, materially advance these dual objectives: delivering immediate cost-effective, positive outcomes for customers today while building a more resilient grid that helps reduce long-term costs for Vermonters.

Q5. Can you please identify the witnesses supporting the rate filing and the topics covered in their testimony?

A5. In addition to my testimony there are eight other witnesses supporting our filing:

Laura Doane, Manager of Operational Finance, and **Rob Bingel,** Manager of Financial Planning and Analysis, provide details on the overall cost of service that will continue GMP's ability to provide clean, cost-effective, and reliable power for customers. Their testimony includes a summary of ratemaking mechanics, methodological differences between this filing and our FY23 base rate filing, and the details of the FY27 rate request. They describe the specific cost of service and rate base adjustments proposed for FY27, summarize GMP's capital structure, cost of debt and finally, GMP's proposed Return on Equity ("ROE") for FY27. They also address GMP's FY28–FY30 forecasts under the Proposed Plan, and the minor changes GMP is proposing to the Plan.

Kamran Hassan, Leader of Engineering, provides an overview of GMP's capital planning approach and philosophy and addresses GMP's proposed capital investments for customers over the rate year. This includes a discussion of GMP's capital planning process for determining the capital projects we complete on behalf of our customers. He also provides a detailed description of specific capital projects we are undertaking for our customers in FY27 in certain operating areas of the company, including base capital T&D projects, Facilities, Transportation, and Information Technology ("IT").

Josh Castonguay, Vice President of Generation and Power Supply and Chief Innovation Officer, describes the projected output of GMP's generation resources along with the capital investment additions, and operations and maintenance costs associated

with these generation resources. He explains GMP's innovation philosophy and how it is applied to deliver measurable value for customers, particularly through the strategic use of energy storage. His testimony outlines the grid benefits of both existing and planned customer storage programs, as well as the associated capital investments that support these and other targeted innovation initiatives. He explains how these efforts enable GMP to meet the growing complexity of grid management while continuing to provide customers with practical products and services that reduce costs, improve reliability, and lower overall carbon emissions for the benefit of all customers. Finally, Mr. Castonguay details GMP's strong and sustained focus on customer service, which has been recognized through years of exceptionally high customer satisfaction ratings.

Maria Fischer, Lead Power Supply Analyst, describes GMP's power supply portfolio and power costs, summarizing the underlying drivers of GMP's power supply costs, including the significant pressures from regional transmission and energy prices, and GMP's overall strategy for providing carbon-free power to our customers at a low cost.

Michele Nelson, Chief Financial Officer and Treasurer at Vermont Electric Power Company, Inc. ("VELCO") addresses Vermont Transco, LLC ("VT Transco") expenses assigned to GMP for the year starting October 1, 2026 (FY27, also identified throughout as the "Rate Year"). Ms. Nelson's testimony supports Maria Fischer's transmission analysis for the Rate Year. Ms. Nelson also presents VT Transco's five-year forecast, which supports GMP's FY28–FY30 forecasts.

Andy Eiden from Current Energy Group ("CEG") evaluates GMP's proposed FY27 resilience investments by presenting a structured, data-driven benefit-cost analysis framework that quantifies the economic value of proactive grid hardening in the face of increasing climate-related risks. Drawing from national research, peer utility experience, and GMP-specific data, he explains how climate change is already increasing outage frequency, restoration costs, and customer harm, and why traditional reactive approaches are no longer sufficient. His testimony evaluates GMP's strategic undergrounding and overhead storm-hardening, and related resilience initiatives using a societal cost test that incorporates utility costs, avoided storm restoration and O&M expenses, and monetized customer outage costs based on reliability metrics such as SAIFI and CAIDI. The results demonstrate that accelerating targeted resilience investments on GMP's worst-performing circuits delivers net economic benefits to customers and Vermont as a whole, improving reliability outcomes, through a forward-looking planning approach consistent with emerging regulatory and industry best practices.

Julie Lieberman, from Atrium Consulting, explains how a utility's return on equity ("ROE") is calculated, reviews GMP's position relative to our peers, and presents evidence that the formula established in the Current Plan for adjusting GMP's ROE has resulted in some of the lowest ROE's in rate-making history, going back as far as 1980, and that GMP's current allowed ROE of 9.94%, set by that formula, is well aligned with recently approved ROEs for regulated utilities. She explains that resetting ROE based on current market conditions could justify an ROE of 10.50%. While her analysis provides important context for the Commission in considering our FY27 Rate Case and the

Proposed Plan, as explained further in Ms. Doane and Mr. Bingel's testimony, our filing keeps the allowed ROE flat for FY27 at the current 9.94% and we would then continue the same ROE adjustment methodology in GMP's Current Plan going forward, with only minor changes in the measurement period, if the Commission adopts the overall multi-year framework in GMP's Proposed Plan.

Q6. How is the remainder of your testimony organized?

A6. To begin, I provide broader context on how the economic conditions all Vermonters are confronting affect GMP's operations and the work we do every day to help manage costs. I then provide the Commission with updated information on recent storm activity and the continued increase in restoration costs since my regulation plan testimony, which underscores why our resilience work is so critical. On this point, I also cover the significant progress we continue to make under the Zero Outages Initiative, summarizing the projects completed through FY25 and the early performance improvements we are already seeing in the field.

I next describe how our current ZOI work informs our broader resilience program, identify specific proposed FY27 resilience projects we have planned on our least reliable circuits, and introduce the benefit costs analysis we have done on this suite of accelerated investments, which demonstrates how they deliver net positive benefits for customers.

Finally, I outline how resilience planning and work will continue through FY28–FY30, including introducing modifications to the Proposed Plan to support this work enabling us to address our 40 worst circuits over the four-year term of the plan (ten per year, including FY27). I provide an explanation of how resilience projects will be

identified, scoped, and tracked separately from base capital using the criteria set out in the Proposed Plan and its attachments. I also address how we will use similar benefit-cost analysis, system metrics, and field experience to target the least reliable, most costly areas and maintain a consistent, customer-focused approach across the full term of the Plan.

II. Context for FY27 Case

Q7. Can you explain what is driving GMP's rate request, and what specific actions GMP is taking to mitigate those pressures to limit customer impact?

A7. Yes. At a high level, GMP's FY27 revenue requirement and the 7.50% rate request are being driven primarily by a combination of significant external cost pressures.

One of the single largest drivers is the increased cost of power supply and regional transmission. Transmission costs are set through ISO-New England and FERC-regulated processes, and are based on the amount of pool transmission facilities constructed, and continue to rise across the region, affecting every New England utility. In addition, power supply costs reflect broader market conditions, including higher capacity and energy-related costs, and the ongoing impacts of inflation and interest rates. On a per megawatt hour basis, power supply costs have gone up 11% in the Rate Year. Together these costs represent an impact of 3.32%, a substantial portion of the overall rate request.

Beyond power and transmission, another major driver of costs are the significant inflationary pressures and increased expenses across core operating areas such as materials, equipment, contracted services, property taxes, health care, and labor. These

are the same economic pressures facing households and businesses across Vermont and the region, and they materially affect the cost of operating the electric system. Taken today, these costs have an impact of about 2% on the overall rate request.

We continue to seek opportunities to engage our partners to help mitigate these costs including working through our bulk transmission provider, VELCO, along with other stakeholders to bring pressure and awareness to areas where ISO-NE is seeing higher costs, such as Regional Network Service Costs (RNS) and the new Day-Ahead Ancillary Services Initiative ("DASI"). We also take direct measures to limit these costs to the extent possible, including deploying storage and flexible load control programs to mitigate RNS and when possible DASI costs.

At the same time, GMP has intensely focused on managing the costs it can control. We continue to prioritize work that delivers the highest customer value, defer or eliminate lower-priority spending where possible, and improve productivity through better crew deployment, more strategic use of contractors, and increased use of automation and technology.

We are also leveraging the tools in our regulation plan to manage costs responsibly for customers. Fixed budgets, efficiency bands, and earnings-sharing mechanisms ensure that GMP bears risk when controllable costs exceed expectations and that customers share the benefits when costs are lower. In addition, we are investing in system improvements such as resilience projects, automation, and storage that reduce outage frequency and duration.

Taken together, this filing reflects GMP's strong commitment to disciplined fiscal stewardship, customer value, and reliability in this volatile economic environment. The 7.50% rate request supports continued delivery of safe, reliable, and resilient service while responding to significant external cost pressures that are being felt across the entire region. GMP manages costs responsibly, prioritizes the highest-value investments, and utilizes the tools in its regulatory framework to protect customers.

Q8. You have expressed concern over escalating storm costs as an area of risk and increasing costs for customers. Do you have any updated information to provide on the overall trend for this category of costs?

A8. Yes, we continue to closely track overall storm costs, and that data continues to confirm the increase in frequency and severity we described in the ZOI proceeding and my recent testimony supporting the Proposed Plan. We know the Commission is well aware of this trend and GMP's growing concern over financial impacts on customers and safety impacts on both customers and crews. GMP's storm cost history provided in **Exh-GMP-MB-2** documents that storm repair costs have risen sharply over the past ten years, consistent with the multi-year pattern documented previously.[2] Costs for both minor and major storms have more than doubled from pre-pandemic levels, and in FY23–FY24 alone GMP incurred more than $100 million in total storm restoration costs. In many of these storm events, including several FY24 storms, GMP was able to restore power

[2] Exh. GMP-MB-2 provides total major and minor storm expenses along with capital costs associated with restoration work by fiscal year of the past ten years, with non-incremental storm costs included in major storm numbers in this presentation.

quickly enough that storms that previously would have hit the major storm threshold were instead handled within our minor storm budget, resulting in over $20M in minor storm costs in FY24 alone, well above the $7.4M allowed in rates for that year. Thus, even with highly proficient response times, the frequency and severity of these storms continue to pose a significant financial risk for customers and safety risk for both customers and crews.

Overall FY25 storm costs were lower than FY23 and FY24, but we nevertheless still had several significant storms, including almost $8M in major storm costs and over $14M in total storm restoration costs compared to $7.8M included in rates. In the past 12 months we have seen four damaging high wind events, in February, June, October, and just recently in December of 2025. Climate projections from NOAA and the Vermont State Climatologist further indicate expected increases in these types of high-wind events as well as wet-snow and icing events, such as the regional icing event experienced December 28 to 30, 2025.

These trends reinforce the urgency of resilience investments proposed for FY27 and the Proposed Plan term. As the data clearly shows, climate-driven storms are becoming more frequent, more intense, and more destructive, compounding damage to an electric system that was not designed for today's weather conditions. Each major event drives more outages, higher restoration costs, greater economic disruption, and increased safety risks for customers, crews, and communities. ZOI, along with strategies outlined in this filing are fundamentally about breaking this cycle and shifting from repeatedly paying to repair storm damage, which just replaces equipment in kind during an

emergency, towards making targeted, proactive system upgrades that prevent outages, protect communities, and control costs for all customers now and into the future. I discuss our focus on this continued resilience work below.

III. Planned Resilience Work

Q9. Can you start by describing GMP's planned resilience work in this case and how it responds to the Commission's ZOI Order, including the Commission's expectation for additional analysis and experience before proposing the next phase of resilience investments?

A9. GMP's proposed resilience work in this FY27 rate case represents a deliberate and measured next step following the Commission's ZOI Order. In that Order, the Commission recognized both the urgency of addressing increasingly frequent and severe storm impacts on Vermont's electric system and the need for GMP to gain experience, data, and analytical insight from initial ZOI investments before proposing a broader, longer-term resilience program. This filing is designed to meet that expectation.

Under the ZOI Order, the Commission authorized up to $150 million of targeted resilience investments during the final two years of the current regulation plan to allow GMP to begin work on the most outage-prone portions of the system while developing a more detailed foundation for future proposals. Over the past eighteen months since the Order, we have completed or advanced a significant portfolio of storm-hardening and undergrounding projects, tracked their costs and performance, and used real-world outcomes, such as estimated avoided outages, to inform how we plan future resilience work.

This FY27 filing reflects that learning. Rather than proposing an open-ended expansion of ZOI, GMP is transitioning from this initial phase to a more structured and targeted resilience framework within the Proposed Plan. As part of this transition, GMP is proposing to set and lock resilience investments from the outset of the Plan, separate from routine base capital, with clear annual scoping, circuit-level prioritization, and benefit-cost analysis supporting the work proposed each year. I discuss the modifications we are making to the Proposed Plan further below to support this framework. This approach responds to the Commission's direction that future resilience investments be informed by experience and supported by more detailed planning and analysis before additional phases are undertaken.

Specifically, GMP is proposing a resilience planning and selection process that builds on the ZOI criteria approved by the Commission, targets the least reliable circuits and zones, and incorporates both quantitative and qualitative factors which include outage history, existing equipment age, and safety factors, among others. Importantly, GMP is also implementing a benefit-cost analysis as one of the key inputs into annual resilience scoping, informed by data gathered from completed resilience projects going forward over time. This ensures that resilience investments are not only operationally justified but also provide real benefits to customers.

In this way, GMP's FY27 resilience proposal does not simply extend ZOI work; it uses our existing experience to develop a detailed and analytically grounded resilience program. The work proposed here allows customers to continue receiving near-term reliability and safety benefits and storm cost savings, while providing the Commission

and stakeholders with the data, reporting, and structure needed to evaluate and guide review of resilience investments under the next phase of GMP's regulation plan.

Q10. Please summarize the ZOI work completed to date.

A10. Following approval of the ZOI order in October of 2024, GMP started to immediately accelerate resilience projects on our 20 least reliable circuits, prioritizing the East Jamaica (EJ-G7) circuit and the Wilmington (56G1) circuit, along with work in other circuits on the list, consistent with the Commission's Order. As of September 30, 2025, GMP had completed and closed approximately $50M of ZOI work, and significant additional work is currently underway, in various stages of design and construction, representing the remaining $100M in ZOI projects.

The work completed through September 30, 2025, includes 44 miles of underground cable in conduit (CIC) and 34 miles of storm-hardened Hendrix spacer cable, along with important projects to move many cross-country lines to the roadside to improve safety and ease of restoration, and the installation of feeder backup ties to improve resilience across multiple circuits. Key aspects of this work include:

- On the East Jamaica EJ-G7 circuit, ten projects completed, totaling 35 miles of the exposed areas in Zones 1, 2 and 3, with 22 miles of new underground lines and 13 miles of new Hendrix spacer cable on the circuit. The lines in these project areas have been hard hit in the past by increasingly severe storms resulting in significant outages. Poles in most project segments were over 40 years old, on average, with many over 55 years old, and customers were served by bare wire conductor of a similar age.

- On the Wilmington 56G1, eleven projects completed, totaling 20 miles of exposed areas in Zones 1, 2, and 3, including the V60 line into Halifax, with 19 miles of new underground lines and a mile of new Hendrix spacer cable on the circuit. Like the EJ-G7, lines in these project areas have been hit hard in the past by severe storms resulting in significant outages. Poles in most project segments were over 40 years old, on average, with many over 55 years old, and customers were served by bare wire conductor of a similar age.
- An additional twelve projects on portions of seven other least reliable circuits representing 23 miles of overhead and underground work, including the 69G1 circuit in Putney, the BE-G29 and SH-G35 in the Bethel/Royalton/Sharon area, the ST-G45 in the Stockbridge-Pittsfield area, the BS-G32 in Brattleboro, the 74G1 feeding or refeeding the Grafton/Athens/Saxtons River area, the CH-G10 in Chester, and the DM-G6 in Dummerston. Existing infrastructure in most of these project areas was of a similar age and type as in our other areas of targeted work.

Some of these projects, including work on the SH-G35, involved important backup feeder tie work to benefit and protect customers on that circuit by adding an alternative feed from the BE-G29.

A list of projects completed between April 1, 2025, and September 25, 2025, is provided as **Exh. GMP-MB-3.** As noted above, this work continues as we speak, with additional projects coming online monthly since September 30, 2025.

Q11. You mentioned the age and construction type of the existing infrastructure in project areas above. Why is that important?

A11. There are several reasons to have this information in mind. First, infrastructure age and type are factors we consider when prioritizing our resilience work, consistent with the methodology we outlined for project selection in the ZOI proceeding. Many of these lines were originally built in the 1940s and 1950s, with repairs and replacements in segments over the years due to storm damage or other required work, and the infrastructure age, along with the bare wire construction in these project areas emphasizes the critical importance of this work. Older lines of that construction method predate the storm hardening construction we are using today, such as spacer cable. We have a rigorous pole inspection program to evaluate the condition of our poles, and we act promptly to replace equipment that is beyond its serviceable life. However, we know that our infrastructure is aging and that prior construction methods are vulnerable, and recent increases in severe storm events have only helped to highlight that this infrastructure cannot withstand our changing climate.

We take our obligation to serve customers safely and reliably very seriously, along with ensuring the safety of our crews and co-workers. We know that even without our proposed plans to accelerate resilience work in our least reliable circuits, many of these lines will require significant work in the very near future. The question is not whether we will need to do this work, but when, under what conditions, and at what greater cost. Our focus in this proceeding is to ensure there is a responsible, justified approach to addressing this equipment in a manner and timeframe that provides the

greatest benefit for customers. We have seen the challenges presented in other states when utilities and regulators do not work together to confront these issues, and we greatly appreciate the Commission's and the Department's recognition through the ZOI proceeding that moving responsibly and decisively now to protect and upgrade the system is the prudent approach. We will continue to work together with all stakeholders to ensure we are best serving customers in this regard.

Q12. How are these ZOI projects performing thus far, and what data can you share regarding this performance?

A12. The projects we have installed under ZOI are performing really well for customers. As work has been completed, outages are eliminated almost entirely. I have been involved in GMP's storm outage responses for almost 30 years, and as discussed during the initial ZOI proceeding, when we install Hendrix/spacer cable or underground lines we see outages in these areas essentially reduce to almost zero. These proven tools we knew would work are delivering very strong, important results for customers through the focused and accelerated ZOI approach we are taking as approved by the PUC.

Through the end of 2025 customers have experienced only two outage events — weather related or otherwise — on the more than 78 miles of ZOI work completed thus far, including during five severe weather events this past year.[3] As described in my July

[3] The only exceptions are a single incident where a large tree landed directly on a pole that transitions an overhead line to underground, and a town plow that hit above ground infrastructure.

2025 testimony in the Proposed Plan proceeding, and updated here further, some specifics stand out:

- On the V60 Line (on the 56G1 circuit in Wilmington–Halifax): Previously had approximately 10 outages/year; since completion, zero weather-related outages have occurred on rebuilt areas, despite wind events up to 58 mph, which, prior to hardening, would have resulted in widespread outages and crew exposure along the line. Unhardened lines in this area adjacent to the rebuilt lines, which either were not within the initial focused investment or were not yet treated at the time of the events, continued to experience outages during these events.
- On the VH4A Line (on the EJ-G7 circuit in Townshend–Wardsboro): Previously had approximately 9.5 outages/year; since completion, no weather-related outages in the rebuilt sections have occurred despite wind events up to 69 mph. I provide further detailed discussion of the performance of the EJ-G7 circuit below in an analysis of specific 2025 weather events on this circuit. Unhardened lines in this area adjacent to the rebuilt lines continued to experience outages during these events.
- Bethel–Sharon Tie: this work enabled a full circuit back up tie, which has been used five times since January of 2025 to provide back up to the SH-G35 circuit benefiting 1300 customers each time during severe weather, and avoiding 20,000+ customer outage-hours.

When outages are prevented, customers stay connected, crews avoid dangerous emergency responses, restoration time and costs are reduced, and both our employees and customers are safer.

Q13. Are you hearing anything from customers regarding this work?

A13. Yes. We know these projects are working, not only because the early data confirms their performance, but also, importantly, because customers are contacting us directly about their improved experience in these project areas. As part of my storm response work, I regularly speak directly with customers during storm events, including customers who have historically endured long, extended outages on many of our worst circuits. These can be difficult conversations, particularly during prolonged outages, and involve explaining the work our crews are doing during challenging conditions to get them back online as quickly as possible. Customers appreciate the work our crews do, but we know from these conversations that outages impact our customers acutely, disrupting their lives and businesses, increasing costs, stress, and safety risks.

During storms this year, my colleagues and I have heard from some of these same customers with a very different message. They are expressing thanks, not for restoration efforts, but rather for not losing power at all, when they expected to be out based on previous experiences and the forecasted or actual weather happening at that time. This occurred independently several times during storms this past December, from customers in areas we have done the most ZOI work. One customer in Guilford wrote the following during a recent storm:

> Heavy winds all night Friday and now again Sunday sunshine morning which in the old days (a few months ago) would have wiped out our power

for a day or two. Not so; cozy underground.

Another customer in Strafford expressed similar sentiments:

> A wild night out there. I kept waiting for my power to go out but was spared. Not so just over the hill …but they are expected to be back online in 2 hrs. I noticed your crews were responding quickly making progress restoring around the state overnight. You really have done a super job building resilience and rapid restoration capability at GMP. Kudos!

After having been involved in storm response for decades and having worked on the planning and implementation of these projects, it is incredibly validating and meaningful to me to hear how this work is benefiting customers in these communities directly and confirms the importance of this work.

Q14. You mentioned you have additional analysis on the performance of your resilience work on the EJ-G7 Circuit; can you explain that analysis?

A14. Yes. As the Commission is aware, our initial ZOI proposal identified the EJ-G7 as a circuit in critical need of improvement. It has consistently been at or near the top of our least reliable circuits. We began resilience work on this circuit under our Current MYRP, prior to ZOI approval, because of its outage history. However, as described in my ZOI testimony, we recognized the need to significantly accelerate work on this and other least reliable circuits in the face of increasingly severe weather.

With this focus, we have implemented 15 projects on this circuit since late 2023 directed at improving reliability and resilience. These projects represent more than 40 miles of storm hardened lines on the circuit, including the main line Zone 1 along Route 30, large Zone 2 tap lines including the VH4A and L7 along Route 100 into Wardsboro,

with most miles implemented under ZOI in the past eighteen months (35 of the 40 miles total). To confirm performance improvements on this circuit, we have evaluated total customer hours out (CHO) during specific types of storm events before and after resilience work was implemented.

To best understand before and after resilience, we focused on comparing performance during similar types of events. The primary storm type that has occurred on this circuit since completion of these projects is high wind events. There were four significant wind events in 2025, in February, June, October, and most recently in December. We evaluated data for ten similar high wind events that occurred on this line prior to completion of most of our resilience work (from 2016-early 2024) and compared those results to the four high-wind events that occurred in 2025.

The results confirm what we anticipated for this work. Customer hours out on this circuit averaged more than 21,000 per event during these ten pre-resilience high-wind events. Post resilience work, the average dropped to approximately 1,200 customer hours out per event. This represents an almost 95% reduction in total customer hours out per event, even though the highest measured wind gusts during the 2025 events were on average almost *25% higher* compared to the pre-resilience storms (53 mph average highest gust in 2025, compared to 43 mph previously). See **Exh. GMP-MB-4.** Total incident counts on the entire circuit also dropped significantly, from an average of 32 pre-resilience incidents down to 12 incidents in 2025, meaning that crews had to respond to almost 65% fewer incidents. **Exh. GMP-MB-4.** Even with increasingly severe weather

events, this data shows that we substantially improve customer resilience, while also improving crew and customer safety, with these measures.

This analysis represents an initial look based on available data at this time. A broader set of storm events and additional periods of performance and reporting through our SQRP going forward will help refine and confirm these conclusions. However, we anticipate the same level of performance even during different types of storm events across the projects we have implemented, based on our experience system wide with these same solutions.

Q15. What, if anything, can you say with respect to potential cost savings associated with this example on the EJ-G7 Circuit in the Townsend and Wardsboro area?

A15. At a high level, we know that reduced outages lead directly to reduced storm restoration costs. Tracking exact restoration costs per circuit has historically been difficult, as during an emergency storm event crews may work on multiple different circuits in any given day in the geographic area they are based. However, we estimate the EJ-G7 has been one of the costliest circuits from a storm restoration perspective, conservatively representing an average of $1.0M per year in emergency repairs over the past 10 years. This estimate is based on assigning a percentage of total storm costs for each individual storm to each circuit, using total customer hours out on the circuit as a percentage of total system-wide customer hours out in each storm.

Using this same method, we calculate the circuit specific restoration costs for the ten pre-resilience high-wind storms at an average of approximately $185,000 per high-

wind event. The 95% reduction in total customer hours out per event documented above translates into approximately $175,000 in savings per high wind event – or $700,000 in savings for the four storm events in 2025 on this one circuit. This is not meant to be an exact calculation of specific savings in every storm event going forward but is a reasonable estimate of the scale of savings for this type of event on this circuit given the work performed.

Beyond the significant impact of restoration costs associated with storm events, each time a customer is without power, their lives are impacted – whether due to an inability to utilize critical medical equipment, access remote work, school, or health care, or be safe and comfortable in their home. The storm restoration savings estimate described above does not attempt to value the significant resilience benefits for customers on this circuit, who avoided more than 20,000 hours without power during each of these storm events. This type of resilience benefit is considered further in a broader benefit cost analysis discussed below. These estimated savings also do not account for significant increased crew and customer safety from reduced outages and incident response, which while impossible to quantify on a dollar basis, are just as real and equally or more important.

As discussed further below, reductions in Major Storm costs resulting from this work will flow directly through to customers through operation of the Major Storm Adjustor. In addition, our budget for minor storm restoration is set $0.5M lower in FY27 than the FY25 Test Year level and will be locked at only inflationary increases for the remainder of the Proposed Plan.

Q16. Do you have any additional information to share on the performance of resilience work on the EJ-G7 Circuit?

A16. In addition to the individual storm analysis provided above, we have also reviewed overall circuit level performance for the past several years. Based on calendar year 2023 data (the year we filed the ZOI petition), the EJ-G7 circuit was the least reliable circuit on our system, with a 5-year average SAIFI of 8.6 and CAIDI of 5.9, for an average SAIDI of 51 hours. The one-year SAIFI in 2023 was 11.9 and the CAIDI was 8.6, for an average SAIDI of 102 hours, which means that the average customer on this circuit was without power cumulatively for more than four days that year.

Although we are still finalizing system wide 2025 data for Rule 4.900 reporting, an initial review of the data shows that the one-year circuit level SAIFI for EJ-G7 dropped significantly last year, down to 3.36, and the CAIDI has similarly dropped to 1.96, for an average SAIDI of 6.59 hours for these same customers in 2025. This is a substantial improvement consistent with our analysis above of performance during specific storms. While 2025 saw fewer major storms compared to 2023 and 2024, during the storms that did occur, we know our work reduced outages and storm restoration costs for customers on this circuit.

You can also see the success of this work visually when reviewing maps of annual customer outages on this circuit over the past six years. I have prepared a series of maps from 2020 through 2025 showing the full EJ-G7 circuit with customer outages in **Exh. GMP-MB-5**. The 2020-2023 maps indicate the significant level of annual outages on this

circuit prior to our resilience work. On both the 2024 and 2025 maps, I have indicated where specific resilience work was completed (including work under the MYRP and work completed under ZOI). Over those two years you can see the dramatic reduction in outages across the circuit, and particularly in the areas served by work completed in those years.

Q17. What has GMP learned from its experience constructing ZOI projects, and how is that experience informing refinement of the next phase of resilience work proposed in this case?

A17. GMP's experience constructing resilience projects over the past eighteen months has materially improved our understanding of both the benefits of the work, as well as the cost drivers and constructability of different resilience solutions, and that experience is directly informing how we are refining the scope, sequencing, and cost assumptions for the next phase of this work. In addition to confirming our key assumptions about project benefits, discussed above, we have also been able to refine our assumptions on overall project costs and how best to implement the projects to reduce and manage those costs. This is informed through the design and construction of underground and overhead Hendrix spacer cable projects with varying line types (single vs. three phase), regions of the state, and site conditions.

First, we have learned that overhead storm-hardening projects, including spacer cable installations and relocation of lines to the roadside, have generally been straightforward to design and construct and have been completed in line with cost estimates. These construction methods are well established, and our experience to date

has confirmed that their costs are predictable and scalable, particularly on Zone 1 and Zone 2 mainline feeders.

Second, our experience with cable-in-conduit underground construction has highlighted that cost effectiveness is driven by the number of customers served by the project, which dictates the size of the cable and materials required, and by how projects are scoped and coordinated. The mobilization of specialized trenching equipment represents a significant fixed cost, meaning that longer, contiguous segments and coordinated nearby projects materially reduce cost per mile, while shorter, isolated segments ca appear more expensive per line mile if not properly sequenced. As a result, we are refining future project planning to deliberately bundle underground work, wherever feasible, to improve productivity and reduce unit costs.

Third, we have confirmed that site-specific field conditions—such as subsurface ledge, drainage features, roadway restoration requirements from the state and towns, and traffic control—are the primary source of underground cost variability. Importantly, as we complete more projects, our crews and designers are better able to anticipate these conditions earlier in the design process and make informed adjustments, including selectively transitioning between underground and overhead construction where appropriate to control costs.

Fourth, we have found that early coordination with towns and local stakeholders reduces uncertainty and cost. Advance agreement on schedules, traffic control, and restoration standards has helped avoid delays and change orders and improved overall construction efficiency.

Finally, GMP is using completed ZOI projects to compare actual costs to original estimates and update future cost assumptions. While the sample size is still developing, each completed project improves the accuracy of our planning and provides real-world data that is now being incorporated into the resilience program proposed in this case. As discussed further below, our known and measurable documentation for FY27 projects, as well as the assumptions used in our benefit cost analysis, are based on actual project costs for representative projects for each type of proposed work.

Q18. Is GMP still on track to complete all ZOI-authorized work by the end of FY26 and if so, how will these projects be incorporated into rates?

A18. Yes. GMP expects to complete the full authorized $150M by September 30, 2026. Consistent with the accounting procedure approved by the Commission for ZOI projects (Attachment 10 to the Current Plan), projects completed through March 30, 2025, were provided for review in the FY26 Annual Base Rate case and have been included in rates. Projects completed between April 1, 2025, and September 30, 2025, are identified on **Exhibit GMP-MB-3** and are proposed for inclusion in rates as part of FY27. As reflected in the supporting Cost of Service files provided by Ms. Doane and Mr. Bingel, the inclusion of these projects in rate base contributes approximately 1.0% to the FY27 rate need while significantly improving reliability and safety and reducing the cost of storm response. As discussed further below, actual savings in Major Storm Costs will be passed through directly to customers during the rate year. The remaining ZOI projects completed through September 30, 2026, will be proposed for inclusion in the FY28 case.

IV. FY27 Projects & Benefit Cost Analysis

Q19. Can you identify and describe the specific resilience projects GMP is proposing in FY27?

A19. FY27 projects align with the strategy set forth in the ZOI Order, prioritizing work on the least reliable circuits where projects and investment will deliver the greatest near-term benefits for customers. The Commission directed GMP to focus initially on the EJ-G7 and 56G1 circuits, with additional investment on other circuits included in the 20 least reliable circuits list reported under Rule 4.900. As described in detail above, GMP is on track to complete the proposed hardening work on EJ-G7 and 56G1 by September 30, 2026. Accordingly, the proposed FY27 resilience work shifts to other circuits on the 20 least reliable list, specifically the ten next most problematic and least reliable circuits. These circuits are concentrated primarily in the southeastern region of the state, though they are more geographically dispersed than the initial ZOI projects. GMP has developed a portfolio of resilience projects on these ten circuits, representing approximately $76 million in FY27. The specific list of Projects is provided in **Exh. GMP-MB-6**, and project-level details are set out in capital folders supporting each FY27 project.

Overall, this work will continue focused resilience improvements, including zone-targeted underground CIC on rural single-phase taps, overhead storm-hardening with Hendrix spacer cable, relocating lines roadside for improved safety, access, and restoration as well as providing increased feeder backup. These projects build directly on learnings from the ZOI program and are supported by known and measurable data.

Q20. Can you identify the projects planned for FY27 and circuits you are focusing on? Please also describe the current service experienced by customers on those circuits.

A20. The circuits identified for our FY27 work are shown in the table below, with data on each circuit's current rank on the list of 20 least reliable circuits, along with 2024 reported SAIFI/CAIDI levels for each circuit (based on the five-year 2020-2024 average). As indicated in the chart, customers on these circuits experience between 27 to 53 hours without power on average each year, compared to the average customer on our system, who experienced approximately 11 hours without power in 2024. This significant deviation demonstrates the clear and justified need for resilience work in these areas to dramatically reduce outage hours and the associated costs and safety risks.

Circuit	Towns Served	20-Least Reliable Rank	Current Customer Count	CAIDI (2020-2024)	SAIFI (2020-2024)	SAIDI (2020-2024)	FY27 Projects
CH-G11	Chester, Grafton	1	1012	7.3	7.3	53.2	$5.5M
DM-G6	Dummerston, Townsend, Newfane	3	1914	6.6	5.9	38.9	$22.8M
CV-G65	Cavendish, Reading	4	339	4.5	8.5	38.3	$7.6M
SH-G35	Sharon, Strafford	5	1281	5.9	6.3	37.1	$4.3M
BV-G44	Brownsville, West Windsor	6	796	6.5	4.9	31.8	$7.1M
BV-G43	Brownsville, West Windsor	7	716	4.3	7.3	30.9	$5.6M

EL G40	Fairlee, West Fairlee, Thetford	8	1013	7.4	4.1	30.5	$7.2M
SB-G91	Sherburne, Bridgewater, Plymouth	9	1189	6.1	4.9	30.1	$3.9M
CS-G34	Tunbridge, Chelsea, Royalton	10	881	4.3	6.7	28.7	$7.3M
TH-G16	Thetford, Strafford	11	1127	5.03	5.54	27.8	$4.6M

Q21. Can you provide some examples of the type of projects to be accomplished in FY27 on these circuits?

A21. Yes, I would highlight a few projects that are representative of the important work we will be doing this coming fiscal year. These include:

- A series of three projects in the Towns of Newfane and Brookline which will address the existing feeder that serves the town of Brookline. These projects (Project #s 199297, 199616, and 199621) represent a coordinated resilience investment on the DM-G6 circuit, the third least reliable circuit on our system. All three projects target infrastructure originally constructed as early as the 1930s and 1940s. Many poles are between 45-50 years old, with some over 80 years old, and sections of the bare, non-storm-hardened wire is of the same age. These lines have experienced repeated storm damage, presenting difficult access conditions in places, which results in high outage frequency for customers. Across these segments, representative customers have experienced between 30 and 50 outages over the past 5 years, with between 160-200 hours out over that period (resulting in 32-40 hours per year on average for these representative customers). The work

combines overhead storm-harden three-phase work in Zone 2 and single-phase work in Zone 3, for approximately 10 miles, replacing aging equipment, and relocating the line roadside to improve access and safety for crews. The work will improve service for the 363 customers served by these facilities, as well as critical community facilities such as the Brookline Town Hall, while reducing outages and storm restoration costs.

- The CV-G65 L2 project (Project #202178) is a resilience-focused distribution line upgrade designed to significantly reduce outages for customers in Town of Cavendish, and via feeder backup the Towns of Weathersfield, Reading, and Brownsville/West Windsor. This Zone 1 project on the CV-G65 circuit will replace and relocate approximately 5.5 miles of majority off-road, aging infrastructure which serves approximately 350 customers on the CV-G65 and approximately 1,500 customers served out of the Brownsville substation which is fed by radial feed transmission. The existing line was originally installed around 1954. The average pole age in the project area is nearly 55 years old, with some poles over 80 years old. The existing bare wire is of a similar vintage. The project will install modern, storm-hardened spacer cable and bring the cross-country line to the roadside. This will reduce outages experienced on the line as well as related restoration costs, and greatly improve crew access and safety, particularly during storm restoration efforts.
- The next set of projects to highlight is our planned work in the Fay Brook and Brook Road areas in Sharon and Strafford, on the SH-G35 circuit. A series of

four Projects (Project #s 199569, 199498, 199309 and 199373) will replace aging, storm-vulnerable overhead bare wire—much of it originally constructed between the late 1940s and early 1950s—with underground cable in conduit. This work is focused in Zone 3 of this circuit. It will install approximately 7.4 miles of cable in conduit, eliminate difficult-to-access cross-country line segments, and modernize infrastructure. The projects serve more than 210 customers across the corridor, many of whom have experienced between 20 and 40 outages and up to 250 hours of interruption over the past five years (up to 50 hours per year on average for these representative customers), making this one of GMP's lowest-performing circuits. The projects book-end an existing segment of line rebuilt in 2015, which will remain in place.

These examples are just a subset of 45 planned FY27 resilience projects identified on **Exh-GMP-MB-6**, and give a sense of the need for this work in many areas of our system, where existing infrastructure can no longer withstand the increasingly severe weather our customers are confronting.

Q22. How was this work identified and prioritized?

A22. Our selection and prioritization of these projects builds on the criteria from our Climate Plan and ZOI work, which is outlined in Attachment 11 to the Proposed Plan. **Exh. GMP-LD-RB-1 (Rev.)**. As described in greater detail above, this involves prioritizing work on our least reliable circuits, applying a zone-based analysis, and then using defined criteria to select individual projects, including: asset type, age, condition, location, circuit outage hours & reliability, critical facilities served, community vulnerability indicators

(e.g., MVI), and safety considerations. Field crews, with their expert knowledge of the system in each district, provide additional input on areas within each circuit where potentially hazardous conditions and repeated underperformance exist. This input is a key consideration in project selection and scoping and is incorporated into project design and implementation. Details on individual projects are then documented in capital folders supporting each project.

The overall number of circuits on which work is planned is guided by our SQRP, which requires that GMP identify the ten worst performing circuits on its system annually, and then institute economically feasible measures to improve the reliability of those circuits. **Exh. GMP-JC-10** (SQRP) at Sec. 7(c). We have also included consideration of an overall Benefit-Cost Analysis ("BCA") for this proposed suite of resilience work to demonstrate and validate the positive benefits for our customers. Performance of our existing ZOI work confirms the potential of these expected benefits, and the scale of work we have completed under ZOI confirms that the level of proposed work here is achievable for customers in the coming fiscal year.

Q23. Can you describe the Benefit-Cost Analysis conducted for the suite of proposed FY27 resilience projects?

A23. Yes. To respond directly to the Commission's expectation that additional resilience work be supported by further experience-based analysis, GMP engaged Current Energy Group ("CEG") to develop a comprehensive benefit-cost analysis of our focused resilience work. The analysis is designed to provide a detailed framework for evaluating whether proposed FY27 resilience investments are cost-effective for customers, building on what

GMP has learned through our ZOI work to date, and can also be used to help inform selection of projects in future phases of work under the Proposed Plan.

Mr. Eiden from CEG describes in detail the analysis and how it was developed in his testimony. At a high level, the analysis compares a baseline scenario, under which resilience investments occur more gradually on the ten worst circuits, to the proposed strategy, which accelerates overhead hardening and strategic undergrounding on these worst-performing circuits in FY27. The framework incorporates best practices for this type of analysis and uses storm restoration costs, outage history on each circuit, and assumptions based on actual project experience, including construction methods, unit costs, and observed performance. It evaluates the full lifecycle costs of the investments, including capital, operations and maintenance, and storm restoration costs, and weighs those costs against quantified benefits such as reduced outage frequency and duration, avoided storm damage, and lower long-term utility costs. In addition, customer reliability benefits are monetized using industry-accepted methods that translate improvements in SAIFI and CAIDI into avoided outage benefits, creating a clear linkage between system performance improvements and customer value.

Q24. Can you describe the overall results of this analysis?

A24. The results show that implementing proposed FY27 resilience projects now produces greater immediate benefits and higher long-term value for customers compared to delaying the work. As discussed above, we know the infrastructure in the targeted project areas needs significant improvement, particularly as the assets continue to age, and storms become more frequent and severe. Customers are already experiencing more

frequent and longer outages compared to customers on other circuits, and far beyond the system-wide average levels, and this will only get worse. The question is not whether this work must be done, but when, and delaying will only increase costs while exposing customers to longer and more frequent outages. Delay will also lead to more exposure to GMP crews, though we have not included any quantitative benefit for reducing this exposure.

The analysis provided by CEG confirms that implementing the proposed work on these circuits now is more beneficial for customers both in terms of immediate resilience improvements, and reduction in short-term restoration costs, along with greater net long-term benefits. Specifically, the portfolio of FY27 projects will generate more than $250M in net lifetime benefits through this accelerated approach.

As discussed further in Mr. Eiden's testimony, we have looked at the relative benefits and costs of different types of proposed construction methods, including overhead Hendrix construction on three-phase lines, primarily in Zones 1 and 2, and overhead single-phase Hendrix and underground construction methods for single-phase lines, primarily in Zone 3. The analysis demonstrates that each of these methods generates net positive benefits when considering the broader resilience benefits customers will experience more quickly under our approach, with Benefit-Cost Ratios ("BCRs") of positive 5.81 for single phase underground construction, positive 6.07 for single phase overhead Hendrix construction, and positive 27.29 for three-phase overhead Hendrix

construction.[4] Based on this analysis, the specific portfolio of planned FY27 projects results in a combined BCR of 16.05, demonstrating the significant benefits created through this approach.

Q25. How did GMP use this benefit-cost analysis when selecting final resilience projects for FY27?

A25. GMP uses this BCA as an important screening tool to inform its resilience planning, but not as a rigid, standalone determinant. The analysis helps quantify key customer benefits—such as avoided outages, reduced restoration costs, improvements in reliability metrics and overall resilience—relative to the lifecycle costs of proposed investments, which helps confirm the proposed portfolio will deliver long-term value for customers.

At the same time, resilience planning necessarily involves factors that cannot be fully captured in a single quantitative metric. GMP therefore evaluates benefit-cost results alongside other critical considerations described above, including circuit performance and outage history, the presence of critical facilities, customer and community vulnerability, crew and public safety, constructability, vegetation, and the ability to coordinate work efficiently across zones and adjacent projects. In many of the most outage-prone and geographically challenging areas of GMP's system, these qualitative and operational factors are essential to determining the appropriate scope and timing of work, even where some benefits are difficult to monetize with precision.

[4] No three phase underground lines are proposed for FY27.

This multi-factor approach is intentional and consistent with the ZOI framework approved by the Commission. It ensures that GMP's resilience investments are both economically informed and operationally grounded, allowing GMP to prioritize work in the areas of greatest need, address equity and safety considerations, and apply lessons learned from completed projects. It is applied as part of a holistic evaluation designed to deliver durable reliability improvements and long-term value for customers.

Q26. Can you speak further to some of the types of benefits this analysis does not quantify or address?

A26. Yes. As discussed further in Mr. Eiden's testimony, we have taken a conservative approach to this analysis and have only included costs that can be clearly quantified using accepted methodologies. Some of the benefits of this work, such as improved customer and crew safety, are extremely important, but cannot be easily or definitively quantified. We know from years of experience in the field that our crews have encountered significant safety issues with respect to travel, access to lines, extreme overhead tree hazards, downed lines and more. This work aims to drastically reduce these circumstances and the related safety impacts they present. Adding covered wire instead of existing bare wire and undergrounding lines increases the safety of all working around our lines daily, inclusive of our crews and others in the construction industry that may be working near overhead lines. In addition, construction methods like undergrounding can decrease other public safety and access challenges during storm events, such as downed trees on wires that may block roads and limit emergency vehicle access. Quantifying those avoided hazardous encounters and impacts is not precise, though we know

intrinsically that they are significant. For that reason, we have not included express values for improved safety in this analysis, but safety remains an important consideration in our identification and implementation of this work.

Another benefit of this work not quantified in storm restoration costs savings estimates is brush fire prevention, which is realized as we replace bare wire with covered wire or underground cable-in-conduit. Our hardening solutions are the same methods of construction that utilities employ in states experiencing wildfires to reduce risk. Over the last two summers, Vermonters experienced severe drought, leading to increased risk of brush fires, showing resiliency work is a benefit that is important now. Vermont is already experiencing brush fires and this is expected to increase with the changing climate and recent drought conditions we've experienced, as mentioned above. We have not attempted to value the avoided risk associated with this work at this time, but many other utilities across the country have.

Q27. How does GMP propose to use this type of Benefit-Cost evaluation for resilience work moving forward?

A27. As discussed further below, we have updated our resilience screening criteria in the Proposed Plan to expressly require consideration of this type of benefit-cost analysis annually when finalizing proposed fiscal year resilience projects. This will ensure that each round of resilience work will provide not only immediate outage benefits for customers, but also long-term net positive value. I discuss our modified approach to resilience planning under the Proposed Plan in Section VI of my testimony, after outlining other specific T&D adjustments for the FY27 Rate Year.

V. FY27 O&M Adjustments

Q28. Let's turn to the specific T&D-related adjustments for Rate Year O&M expenses. Which specific FY27 O&M adjustments do you address:

A28. I address Cost of Service Adjustment No. 7 ("COS No. 7") related to minor storm restoration, and COS Adjustment No. 8 ("COS No. 8"), related to vegetation management O&M costs for the reliability of our T&D systems for customers.

Q29. Please explain COS No. 7 – Minor Storm Restoration.

A29. This adjustment represents the changes in costs between the Test Year and the Rate Year for minor-storm restoration efforts. The Rate Year cost has typically been developed in prior cases by using the five-year average for minor storm costs, adjusted for inflation. This year we are removing a significant outlier in FY24 from the five-year average and instead have based the Rate Year amount on a four-year average, adjusted for inflation. Total Minor Storm costs for FY24, including payroll and overtime costs, were $21.7M, which is three times higher than the remaining four years. With this adjustment, The FY27 minor-storm restoration O&M amount is $4.385M, which is a decrease of $0.518M compared to the Test Year amount of $4.903M. Without removing the outlying year, the five-year average for the Rate Year would have been $6.717M. We have made a similar adjustment to payroll and overtime costs to remove outlying FY24 costs, as described in Ms. Doane and Mr. Bingel's testimony.

As a reminder, GMP's Current Plan contains an exogenous adjustment component to address all "major storms," which are defined as individual storm events which (1) result in extensive mechanical damage to GMP infrastructure; (2) place more

than 10% of the customers in a service territory out of service due to the storm's effects; (3) place at least 1% of the customers in the service territory out of service for at least 24 consecutive hours; and (4) result in more than $1.2M in incremental maintenance expenses for storm restoration. This "Major Storm Adjustor" also includes a $1.2M deductible, under which GMP absorbs the first $1.2M in costs each year associated with all major storms. All recovery costs for storms that are below this threshold (i.e., "minor storms") are handled within GMP's O&M budget and are not subject to the Major Storm Adjustor.

We propose to continue the Major Storm Adjustor in the Proposed Plan, and as such, in FY27 minor storm costs will continue as an O&M cost. Although these events are defined as "minor storms" the impact they have on customers is anything but minor, and unfortunately, we have seen these events accelerating in frequency and severity as well. As noted above, in FY24 our total minor storm costs, including payroll and overtime, were $21.7M. In FY25 this amount was approximately $7.4M, which is still above the amount to be included in the Rate Year.

Minor storm restoration costs will be locked based on the FY27 Rate Year amount and will only increase by inflation for the remainder of the Proposed Plan. As discussed above, we know our completed ZOI resiliency work is helping to address and minimize storm restoration costs in focused areas, and additional proposed work will increase this benefit. Yet even as resiliency work continues, restoration efforts will, of course, remain a critical part of the work we do for customers. Effective and timely response to each of these events requires planning, personnel and equipment, and this

adjustment reflects the reality that, even with efforts to increase the resiliency of our system, we are responding to more severe events more often. Removing the outlying FY24 year, lowers the overall FY27 budget by $2.6M. We have also removed the Major Storm Restoration Fund, as savings should start to accrue to customers in FY27 and through the Proposed Plan period, particularly through the Major Storm Adjustor based on the scope of our completed and proposed resilience work. This is a notable shift and positive result from our previous, reactive approach to storms, and demonstrates that immediate savings can accrue to customers because of our efforts.

Q30. Can you explain what COS No. 8 includes, and explain GMP's overall approach to vegetation management?

A30. Yes. COS No.8 represents the changes in costs between the Test Year and the Rate Year for all vegetation management work on our transmission and distribution systems. Vegetation management is a critical part of the work we do for our customers and helps ensure our system is as reliable and resilient as possible. This regular maintenance work goes hand in hand with additional projects we are pursuing to harden our grid. However, this work is becoming more expensive and more challenging for several compounding reasons, as we have noted in prior testimony. Not only do we have a more mature tree canopy around our rights-of-way, but climate change is accelerating this growth with warmer and wetter weather, leading to longer growing seasons and the result is and storm damage from growth that occurs outside our right-of-way. In addition, more severe weather events, driven by our changing climate continue to drive up vegetation management costs.

Addressing these conditions is increasingly challenging as tree-trimming contractor costs continue to rise. Since 2015, those costs have essentially doubled from $11M to over $22M annually, driven by inflation and by increased demand for these services and ongoing difficulties in recruiting and retaining a skilled workforce to meet the need.

FY27 vegetation management O&M is $22.337M, which is an increase of $0.309M over the Test Year amount of $22.028M. The Rate Year budget for vegetation management will pose a significant challenge for us but reflects a level of funding that we believe will meet our trim cycle goals and provide our customers with the most cost-effective trimming program. As the Commission is aware, vegetation management is a critical and ongoing component of our resiliency strategy, but its effectiveness is limited to tree growth within our right-of-way (ROW) corridors to prevent grow ins of vegetation into our lines and does not widen the rights of ways. As storms grow more severe and growing seasons lengthen, we are seeing increasing damage from trees well outside the trimmed ROW, including trees over 100 feet tall on adjacent properties falling onto our infrastructure. Expanding ROW easements on thousands of miles of distribution lines to the distance needed to mitigate this risk with vegetation management alone is neither feasible nor practicable, which is why our multi-pronged ZOI work is so essential. Our undergrounding program not only reduces outages and response costs, but by reducing the miles we need to trim, allows us to apply those dollars to other lines helping to manage the inflationary pressure we have seen in these costs. Over time this work will

result in savings in our vegetation management budget as we harden and underground more miles of lines.

VI. Resilience Work under Proposed Plan

Q31. Can you update the Commission on how GMP is proposing to treat resilience investments going forward under the Proposed Plan?

A31. In the Proposed Plan as initially filed, we contemplated addressing accelerated resilience work through annual "not to exceed" amounts, paired with yearly scoping filings. That structure reflected the early stage of this work and the fact that we were still building experience with the scope, sequencing, and cost of large-scale resilience projects following the Commission's ZOI approval. Since that time, GMP has completed a full year of ZOI implementation and made substantial progress in the second year, providing meaningful, real-world information on construction methods, unit costs, scheduling constraints, and performance outcomes. This experience now allows us to plan resilience work in a more targeted manner with a much higher degree of precision.

Based on these lessons learned, GMP proposes to update the Proposed Plan to treat resilience investments more like other planned capital programs by establishing defined, upfront resilience capital amounts for FY27 through FY30 and incorporating those amounts directly into rates, subject to Commission review in these proceedings. Under this updated approach, resilience work would no longer be handled as a series of annual "not to exceed" allowances. Instead, the total level of resilience investment over the four-year plan term would be set at the outset, with annual spending flexibility within

that overall cap, consistent with the way GMP manages base capital today. This change improves transparency and rate predictability for customers, provides clearer expectations for regulators, and allows us to plan and execute the work more efficiently by coordinating internal resources, contractors, and project sequencing across multiple years.

Importantly, incorporating resilience work directly into rates does not reduce oversight or discipline. GMP will continue to select and prioritize projects using the criteria set out in the Proposed Plan, including circuit reliability performance, outage history, critical facilities, community vulnerability, and operational considerations, and will support this planning with benefit-cost analysis of the suite of resilience projects proposed each year. Projects will continue to be documented consistent with GMP's capital documentation standards, and performance will be tracked through approved enhanced reporting and metrics. By moving away from the annual "not to exceed" structure and instead planning resilience investment from the outset of the Plan, GMP is responding directly to the Commission's and Department feedback for more defined investment levels at the outset of the Proposed Plan period, and allows us to benefit from ZOI experience implementing this work to provide an upfront, longer term approach that delivers measurable benefits for customers while supporting stable rates over the FY27–FY30 period.

An updated version of the Proposed Plan showing these proposed changes in red line is attached to Ms. Doane and Mr. Bingel's testimony as **Exh. GMP-LD-RB-1 (Rev.).**

Q32. What are the proposed resilience investment levels over the term of the Plan and how were the levels determined?

A32. As a result of our experience implementing ZOI, we have further refined our anticipated resilience investments over the course of the Proposed Plan. This was informed by a high-level review of the amount of work needed on our least reliable circuits over the next four years, the amount and cost of annual resilience work we have been able to complete with contractors under ZOI, consideration of the known and measurable documentation for FY27 projects, including our cost-benefit analysis of this planned work, and evaluation of overall affordability of the work for customers.

To balance resilience work so customers can see immediate benefits with investments, we have reduced the initial anticipated level of spending, down from an expected $150M per year in initial planning to approximately $85M per year, resulting in a locked total of $341M (including the FY27 amount of $76M) closed to plant for resilience investments over the term of the Proposed Plan. Similar to base capital, the Proposed Plan will allow flexibility year-to-year within this resilience budget to enable the most efficient coordination and implementation of this work, but total amounts closed to plant over the term of the Proposed Plan will be capped at $341M. Resilience projects will be tracked separately from base capital to keep each category of capped spending separate, and future individual projects (beyond those already identified FY27), will be identified and pursued annually consistent with the selection process described in Attachment 11 to the Proposed Plan.

This approach will result in meaningful and measurable progress on our least reliable circuits, improving customer service, reducing existing outages and associated storm restoration costs, and addressing aged infrastructure in these areas through grid modernization and operational controls. Consistent with GMP's SQRP, we will focus this work on our ten least reliable circuits each year, addressing our 40 worst performing circuits over the four-year term of the Plan. This work is more targeted than under our initial ZOI approach, addressing specific areas in each circuit by zone and designed to deliver a net positive benefit.

Importantly, the scale of this work is calibrated to ensure that we can make real progress on these circuits while managing the overall cost of this work to ensure fiscal prudence along the way. At the capped capital level for all resilience work under the Proposed Plan, the relative rate impact of this work will, on average, remain below 1.0% annually, before accounting for any operational savings. Very importantly, any direct reduction in Major Storm restoration costs that results from this work will flow directly through to customers in the Major Storm Adjustor. In addition, the budgets for minor storm restoration are $0.5M lower in FY27 compared to the Test Year and will be locked at that level with only inflationary increases for the remainder of the Proposed Plan.

Q33. How will GMP evaluate the cost-effectiveness of proposed projects through the duration of the Proposed Plan?

A33. As discussed above, we will be incorporating consideration of the same Benefit-Cost Analysis ("BCA") into the development and selection of annual resilience projects. The project selection criteria described above with respect to our FY27 projects will continue

through the Proposed Plan period, informed by the benefit cost ratio of the proposed suite of projects, which will confirm the proposed work will be beneficial for customers. We will continue to refresh the data used in the BCA, to ensure that it is informed by the most up-to-date project cost information, and available data on performance of projects. While the total amount of resilience capital is locked, GMP proposes to file its annual Benefit-Cost analysis for resilience projects with each Annual Base Rate filing under the Proposed Plan for review by the Department and Commission each year to confirm overall project selection remains cost-beneficial.

Q34. How will GMP report on the performance of completed FY27 resilience projects?

A34. GMP will report on the performance of its resilience work through a combination of existing service quality reporting, enhanced resilience-specific metrics, and targeted annual filings under the Proposed Plan. This approach is designed to provide the Commission, the Department, and customers with clear, transparent information on both the execution of resilience investments and the results those investments are delivering over time.

At the system and circuit level, GMP will continue to report reliability outcomes through our SQRP, including established metrics such as outage frequency, outage duration, and customer-hours out. This includes 30+ metrics approved as part of the updated SQRP in Case 25-0751-PET, which are now automatically incorporated into the Proposed Plan. As resilience projects are completed, GMP will track and report changes in performance on the affected circuits and zones, allowing for direct comparison of pre-

and post-investment conditions. These metrics provide an objective, consistent way to assess the effectiveness of resilience investments.

In addition, GMP will provide resilience-specific reporting through its Annual Base Rate filings and associated reports under the Proposed Plan. As noted above, this will include filing annual BCAs on proposed resilience work each year. Together, these reporting mechanisms ensure that resilience performance is evaluated not only in terms of dollars invested, but in terms of measurable outcomes for customers.

Q35. Can you speak further to how GMP's proposed resilience work interacts with GMP's regular T&D capital work and how these categories will be tracked?

A35. Yes. GMP maintains a separate T&D capital budget to address regular, system-wide infrastructure and reliability needs. My colleague Kamran Hassan speaks directly to this budgeting category for FY27 projects in his testimony, which includes a range of safety, capacity, reliability, regulatory compliance, and road-project relocations. Every year we have a number of regular, expected T&D projects that require capital investment, or projects that are compelled by other actors, such as when the state or a town requires relocation of utility infrastructure for a road-relocation. We will continue this work as required, and projects installed under this separate budget category will, as appropriate, use similar resilient construction methods. But this budget category is distinct from our proposed resilience work, which as described above, will be targeted specifically at our least reliable circuits to accelerate improvements in these hard-hit areas.

From a capital management perspective, regular course T&D projects will be managed within the locked base capital amounts over the course of the Proposed Plan

period. Resilience Projects on the least reliable circuits will be managed under the separate locked resilience capital budget. We track these types of projects separately in our Oracle accounting system to allow this accounting between the two types of projects and ensure we are operating within the capped budgets. All projects will continue to follow the MOU capital documentation requirements outlined in **Exh. GMP-MB-1**.

Q36. Can you also address how customer-sited storage integrates with GMP's overall resilience planning?

A36. As previously discussed with the Commission, storage is a critical component of our resilience strategy, particularly in Zone 4 where rural and low-density areas make underground or overhead hardening work impractical or not cost-effective, but where the need for system improvements is great. The resilience work proposed above is focused on addressing outages caused in Zones 1-3, and while this work will address some outages experienced in Zone 4, it does not address or solve for the specific outages caused in those portions of the circuit. Zone 4 also typically presents some of the most remote, challenging terrain in our service territory, which means restoration times, safety risk and associated cost can be much higher. We must have cost-effective options like storage to address these challenges.

Additionally, while our T&D resilience work addresses many outage issues and is an essential component of a modern grid, it does not and cannot provide the same type of benefits storage can contribute to a two-way distributed grid. These flexible resources offer enhanced benefits to the system outside of storm resilience, in the form of peak shaving during high-demand times, and can provide benefits to all of our customers, not

just those participating in the storage program. Accordingly, we continue to view residential storage as a core element of a comprehensive resilience effort and a key enabler of a more resilient, distributed grid.

At the same time, we appreciate through our discussions with the Department that there are varying perspectives on the best way to implement storage in Zone 4 to address customer needs and provide the greatest benefit to non-participating customers. In response, as described further in Mr. Castonguay's testimony, we are proposing more targeted customer-sited storage programs in the Proposed Plan, which will be handled under the Customer Driven Storage regulatory accounting procedure in the Proposed Plan (Attachment 12). This Integrated Energy Storage 4 pilot program is focused on customers in Zone 4 on a single circuit that is already the target of comprehensive resilience work under ZOI (EJ-G7). We have made substantial progress improving resilience on this circuit, but we know that Zone 4 customers are still experiencing outages not addressed by this existing ZOI work. This targeted pilot will allow us to demonstrate, test and quantify the benefits of pairing storage with other resilience measures, providing data to inform and justify the next phase of GMP's storage and resilience strategy, subject to Department and Commission review and approval. We also propose extending the existing ESS program for an additional two-year period to allow alignment with and further consideration of additional learning from this pilot program. This approach is discussed in more depth by Mr. Castonguay.

Q37. Before you conclude your testimony, is there anything else you would like to add or emphasize?

A37. As I conclude my testimony, I would like to emphasize three key points. First, affordability is not an abstract goal for GMP. Rather, it is a daily operating discipline. We recognize that Vermonters are under real financial strain, and that reality shapes every decision reflected in this case. We have worked deliberately to control the costs we can control through sustained workforce efficiencies, careful capital planning, and active management of power supply and load. Those actions are producing tangible, near-term savings for customers and moderating rate impacts in an otherwise volatile and uncertain regional cost environment. Second, resilience is fundamentally about cost containment and customer and crew safety and well-being. Extreme weather is no longer something that occurs occasionally; it is a defining cost driver. The early evidence from our ZOI work demonstrates that targeted, data-driven resilience projects that are well executed can reduce outages, lower restoration costs, and lessen the economic and personal toll of prolonged service disruptions on our crews and customers. Continuing and refining this work under the Proposed Plan, with robust, ongoing reporting and information sharing is both fiscally prudent and necessary. And finally, this filing reflects our values as Vermonters. It advances grid modernization and innovation, including storage and flexible resources, while maintaining a disciplined and transparent approach to spending and rate management. With appropriate regulatory support, the path we propose delivers immediate customer benefits when they need it most, along with greater predictability,

and long-term protection from higher costs. We strongly believe that these outcomes are squarely in the public interest.

Q38. Does this conclude your testimony?

A38. Yes.

I, Michael Burke, 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 Vermont on the 16th day of January, 2026.

Michael Burke