STATE OF VERMONT
PUBLIC UTILITY COMMISSION

Case No. 25-1955-PET

Petition of Green Mountain Power Corporation for approval of its new Multi-Year Regulation Plan pursuant to 30 V.S.A. Sections 108, 209, 218, and 218d	

PREFILED SURREBUTTAL TESTIMONY OF
WALTER (TJ) POOR
ON BEHALF OF THE
VERMONT DEPARTMENT OF PUBLIC SERVICE

June 19, 2026

Summary: Mr. Poor responds to Green Mountain Power Corporation's ("GMP" or "Company") prefiled Direct and Rebuttal testimony on the structure of the GMP's Multi-Year Regulation Plan ("MYRP"). Specifically, Mr. Poor comments on structure of Benefit Cost Analyses ("BCA") performed by GMP, proposing to require and use utility cost test analyses in addition to total resource cost test analyses to evaluate proposed resilience expenditures and investment, accepting with considerations GMP's Performance Guarantee proposals for both resilience projects and storage programs, and accepting GMP's request to maintain "Transmission by Others" Component A of the GMP's Power Supply and Retail Revenue Adjustor ("PSRRA").

Mr. Poor Sponsors the Following Exhibit:

Exhibit DPS-WP-2 A.GMP.DPS.3-32

PREFILED SURREBUTTAL TESTIMONY OF WALTER (TJ) POOR

Q1. Please state your name, title, and business address.

A1. My name is Walter (TJ) Poor. I am the Director of Regulated Utility Planning for the Department of Public Service ("Department"). My business address is 112 State Street, Montpelier, Vermont.

Q2. Are you the same Walter (TJ) Poor that previously provided testimony in this case?

A2. Yes.

Q3. Please introduce your testimony and the Department's rebuttal testimony witnesses.

A3. Following the introduction of this testimony, I will first follow up on my initial testimony regarding GMP's proposed structure of the MYRP to treat resilience investments separately from other capital investments. Then, I respond to GMP's rebuttal testimony on three issues: (1) the structure of its proposed BCA; (2) the structure of its proposed performance guarantee for resilience projects and storage programs; and (3) the Company's request to leave "Transmission by Others" within Component A, contingent on sufficient performance measures with financial consequences for customer driven storage.

The Department also sponsors the following witnesses for this surrebuttal testimony:

- Carol Flint, Director of Consumer Affairs and Public Information, makes recommendations for GMP to meet with the Department to discuss/propose new affordability metrics.

- Jacob Thomas, GDS, responds to the rebuttal testimony of Ms. Doane and Mr. Bingel regarding areas of GMP's MYRP including the: (1) Earnings Sharing Adjustment Mechanism; and (2) the Exogenous Change Adjustment.
- Steven Hunt, GDS, responds to the rebuttal testimony filed by GMP witnesses Laura Doane and Rob Bingel. Specifically, Mr. Hunt summarizes the recommended adjustments that have either been accepted by GMP or are no longer being pursued by DPS. Second, Mr. Hunt responds to GMP's discussion of the proposed MYRP adjustments relating to Return on Equity, as well as GMP's proposed timeline and procedures for reviewing the Quarterly Adjustor Mechanisms under the MYRP.

Q4. Please provide the Department's view on GMP's proposal to structure resilience investments separate from base capital expenditures.

A4. GMP proposes to continue the current framework for a fixed level of base capital investment over the life of the MYRP but proposes to treat focused resilience work separate from base capital. These resilience investments are proposed to have project plans annually with "not to exceed" investment amounts for each year, and forecasts through FY 2030. In my prefiled Direct Testimony, I highlighted that I could not yet make a recommendation on this issue because the Department had not yet seen detailed BCA or risk and vulnerability assessments, nor had the Department seen the proposed amount of investment in resilience. Since that time, GMP has provided some relevant analyses and proposed spending. For this MYRP, I agree it is appropriate to treat the massive amount of ratepayer dollars proposed for resilience separate from base capital expenditures. This determination is best made independently for each MYRP once all information around the scope and impact of proposed base and resilience expenditures are better understood. As previously noted, the Department still considers the collective investment and total impact on ratepayers over the life of the MYRP when making its recommendations.

Q5. In your initial testimony, you recommended a Utility Cost Test ("UCT") analysis along with the Total Resource Cost ("TRC") test. GMP's rebuttal testimony claims that they did consider underlying utility costs and benefits. GMP also provides a UCT analysis with its rebuttal testimony. Please describe any further recommendations.

A5. While GMP claims it did consider the underlying utility costs and benefits in its evaluation of proposed resilience work, GMP had previously provided no evidence that this was taken into account during their decision-making process, relying solely on the TRC test.[1] As I noted in my initial testimony, before completing its BCA, GMP appeared to have already decided that these investments are worthwhile, recommending a specific cost treatment with the MYRP and qualitatively touting potential benefits in testimony without reference to cost to ratepayers, whether that cost exceeds the benefit, or how GMP was balancing cost to ratepayers with other benefits of resilience expenditures. I am encouraged that GMP has finally provided such analysis, even if it was only after the Department provided a rudimentary version of such a test.

My testimony also cited GMP's capital documentation standards for a BCA, which require a ratepayer analysis. GMP asserts there is an exemption in those standards for reliability

[1] See Case No. 25-1955-PET, Burke Rebuttal at p. 16 (Apr. 15, 2026).

projects. The Department respectfully recommends that the Vermont Public Utility Commission ("Commission") clarify that resilience projects—which GMP, itself, is proposing to treat differently in this MYRP—are not exempt from needing a BCA under the capital documentation standards. In other words, a BCA or multiple BCAs—incorporating both the UCT and TRC test and based on risk and vulnerability analyses—should be provided for all projects for which resilience spending is approved. The goal is to not only provide a robust analysis demonstrating the impacts from both ratepayer and broader, more societal perspectives, but to actually encourage GMP to use both perspectives in its decision making. To that end, the Department recommends that GMP's Resilience Project Selection Criteria contained in its Resilience Project Regulatory Accounting Procedure (Attachment 11, Exhibit LD-RB-1, 1(c)) be updated to incorporate: (1) the benefit-cost ratios under both the UCT and TRC test; (2) the project ranking within GMP's ten worst-performing circuits as listed in its Service Quality and Reliability Plan ("SQRP"); and (3) a summary of whether those projects in (2) have been in the top ten of GMP's worst-preforming circuits list in each of the last five years. Furthermore, the Department recommends that the Annual Filing Regarding Resilience Scoping and Investment Level (Attachment 11, Exhibit LD-RB-1, 2(a)) be updated to include: (1) a description of how GMP weighed the various Resilience Project Selection Criteria in determining which projects to prioritize; and (2) a description of the "economically feasible" measures GMP evaluated to improve the circuit's reliability and resilience, including an explanation of why the selected projects were determined to be the least-cost solution to improve reliability and resilience. For this latter point, GMP should include identification targeted improvement. Finally, the Department recommends GMP advance its submission of its draft Annual Resilience Scoping Filing to the Department from May 1 to April 15 (Attachment 11, Exhibit LD-RB-1, 2(a)) to allow for meaningful engagement and the possibility of revisions before GMP files the final version with the Commission as part of its June 1 Annual Base Rate Filing.

Q6. In response to the Department's testimony, GMP has proposed performance targets with financial consequences for its resilience investments. Please briefly describe GMPs proposal.

A6. GMP has proposed adding additional resilience metrics with targets to its SQRP, directly measuring improvements for customers and holding GMP accountable to those targets. GMP has proposed a metric focused on line-outage frequency in hardened sections of its system, which would measure the number of line outages experienced in storm-hardened projects annually, tracking performance relative to a defined standard, with under-performance having financial consequences under the SQRP. Specifically, GMP proposes a "Resilience Project Average Interruption Frequency Index" ("RAIFI") be added to the SQRP, setting a performance standard of 1.5 outages per resilience project per year. If actual performance was worse than the RAIFI standard, SQRP points would be allocated based on percent variance from the standard.[2]

Q7. How does the Department respond to GMP's proposal?

A7. The Department appreciates GMP recognizing the need to ensure that the resilience benefits that GMP claims will materialize after resilience investments are made will

[2] Case No. 25-1955-PET, Burke Rebuttal at pp. 15-18 (Apr. 15, 2026).

actually materialize, and that one clear mechanism to do that is to tie investments to performance metrics with financial consequences. The proposal is a good start; it remains to be seen whether the SQRP provides sufficient financial consequences that appropriately balance the risk and reward of additional capital investments, and whether RAIFI is the most meaningful metric to measure resilience performance.[3] I recognize that, as GMP describes, the Company is in early stages of tracking performance of resilience work, and the Department supports the structure of GMP's proposal on a trial basis with two future considerations.[4] First, the RAIFI standard should eventually be set at a level consistent with the expected performance as outlined in the BCA. GMP proposed the RAIFI standard be set at 1.5, which the Department currently supports; however, I understand the BCA assumes effectiveness scores that are expected to lead to outcomes well below 1.5. The BCA is intended to inform investment decisions and, thus, should be a critical input into setting the performance metric. According to assumptions in the BCA—which GMP has described as conservative given past performance elsewhere—outages will be expected to be reduced by 90% where overhead spacer cable is installed, and 98% where underground conduit is installed.[5]

[3] GMP is tracking multiple resilience-related attribute and performance metrics in its MYRP, one or more of which may emerge in the near future as better options; in addition, the Department recently filed its final recommendations in the Resilience Proceeding recommending two metrics: MYSAIFI (a rolling five-year systemwide average all-in SAIFI, to measure system resistance) and MERT (time to restore the majority of customers after a major event, to measure recovery). As these are further explored in the additional process recommended by the Department, they may become the preferred metrics.
[4] Case No. 25-1955-PET, Burke Supplemental PFT at p. 15 (Jan. 16, 2026).
[5] See generally A.DPS.GMP.3-32, provided as **Exhibit DPS-WP-2**.

To be clear, the Department's support of GMP's proposal in no way should be construed as the Department's position on an appropriate goal for resilience overall, but rather, an initial goal set for *approved* resilience expenditures in this case and a way to hold GMP accountable to its assumed resilience outcomes. I expect, in the future, targets will be set closer to either a defined standard of reasonably adequate service and/or specifically set to align with the expected performance as analyzed in the BCA. The latter would align with how GMP proposed its performance metric with financial consequences related to storage investments, described below and tied directly to the assumptions in the BCA. As Mr. Castonguay notes in the context of the storage metric, "[t]his is a simple and accurate measure that directly tracks performance tied to the benefits the system provides to customers as a whole and would be straightforward to implement."[6]

Second, while the metric is proposed to be assessed annually, in the future, it may be more appropriate to measure performance and assess financial consequences over multiple years using a rolling average. This would remove the need for negative point accumulation for overperformance and smooth the metric for extreme weather variability.

Finally, the Department recommends that the performance metric be intentionally revisited after the second year of the MYRP, with a requirement for GMP to make recommendations to the Commission on how the metric might change to better align with intended outcomes, if at all.

[6] Case No. 25-1955-PET, Castonguay Rebuttal at p. 7 (Apr. 15, 2026).

Q8. In response to the Department's testimony, GMP has also proposed performance targets with financial consequences for its storage investments. Please briefly describe GMPs proposal.

A8. Similar to resilience investments, the Department appreciates GMP's recognition that it is time to place a performance metric with financial consequences on GMP related to its storage investments. GMP proposes performance measures directly incorporated into the existing structure of GMP's SQRP. While GMP's proposal does not address the forecasting uncertainty, keeping that risk squarely on ratepayers, it does address the primary driver of financial outcomes. GMP's suggestion to measure Regional Network Service Charge peak reduction effectiveness is a good starting place for this performance measure. It may be appropriate in the future to add other areas such as Forward Capacity Market peak reduction effectiveness or other charges that may become significant drivers of cost. Forecasting uncertainty will need to continue to be addressed when GMP proposes capital spending amounts for future Energy Storage System Tariff investments, with scrutiny surrounding the range of potential outcomes.

The Department accepts GMP's proposal to include this performance measure in the existing structure of the SQRP, for this MYRP, on a trial basis. It is unclear to the Department whether this structure will provide sufficient financial consequences that drive performance. Similar to the performance metric and financial consequences proposed for resilience investments, this performance metric should be reevaluated in the future.

Q9. Your Direct Testimony proposed a modification to the PSRRA, recommending "Transmission by Others" be moved from Component A to Component B. Is this modification still necessary?

A9. No. I proposed this modification to help enhance GMP's focus on critical costs for which they have control over, increase their efficiency and incentive to innovate, and provide benefits to ratepayers. The performance metric and financial consequences associated with energy storage that were proposed by GMP as described above serve this purpose. While GMP has some other mechanisms to reduce peak, storage is currently the Company's primary tool. At this time, both of the original recommendations (performance metrics with financial consequences for storage *and* the proposed modification to the PSRRA) are not necessary, and I withdraw the recommendation to move "Transmission by Others" from Component A to Component B, contingent on the approval of the performance metric and financial consequences for storage.

Q10. Does this conclude your testimony?

A10. Yes, it does.