Q.DPS.GMP.2-22: Referring to the prefiled direct testimony of Ms. Lieberman, page 35, please provide the S&P credit ratings documentation that supports her statement: "GMP's Long-Term Issuer credit rating was recently reduced from "A" (Outlook: Stable) to "A-" (Outlook: Stable) by S&P Global Ratings in July 2025, primarily based on the ratings link between its primary holding company, Noverco, which is also currently rated "A-". S&P notes that GMP's stand-alone credit profile (SACP) is unchanged from its previous rating of "BBB+."

A.DPS.GMP.2-22:

See Attachment DPS.GMP.2-22.

Person/s Responsible for Response: Mathieu Lepage
Title of Person/s: VP, CFO & Treasurer
Date: April 1, 2026

S&P Global Ratings

RatingsDirect®

Green Mountain Power Corp.

July 16, 2025

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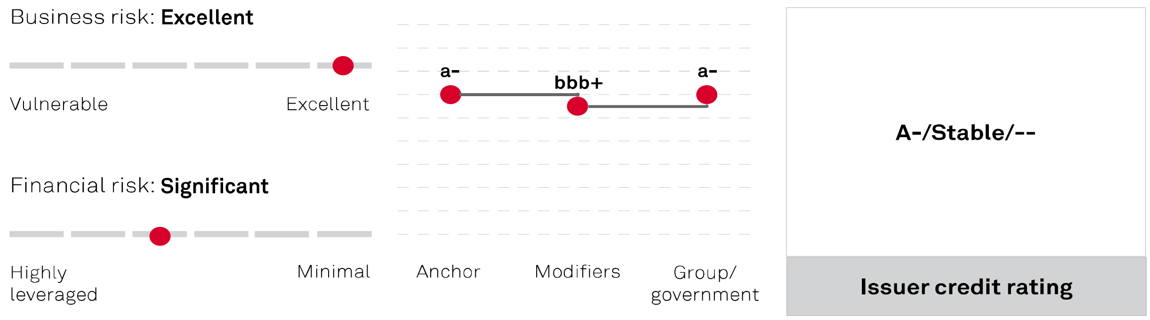
Ratings Score Snapshot



Credit Highlights

Overview

Key strengths	Key risks
Lower risk, regulated electric utility operations under a generally constructive regulatory jurisdiction	Relatively small customer base and limited geographic and regulatory diversity, with operations solely in Vermont
Operates in a stable and generally supportive regulatory environment that allows for multiyear rate plans (MYRPs)	Service territory exposed to extreme winter events that could damage infrastructure
Core subsidiary of parent Noverco Inc. (Noverco), which provides one notch of uplift to the stand-alone credit profile (SACP)	

Our ratings on Green Mountain Power Corp. (GMP) are influenced by that of parent Noverco. S&P Global Ratings views Noverco as the ultimate holding company in the group, with control and material liabilities that would have bearing on the group's overall credit quality. Under our group rating methodology, we assess GMP as a core subsidiary of the group. This reflects our view that the company is highly unlikely to be sold, operates in the same lines of business as Noverco, has a long-term commitment of support from the group in all foreseeable conditions, is reasonably successful at what it does, constitutes a significant proportion of Noverco's consolidated operations, is closely linked to its parent's reputation, has operated for more than five years, and is a separate legal entity that is integral to the group. As a result, we equate our issuer credit rating on GMP with the group credit profile (GCP) of 'a-', one notch above its SACP of 'bbb+'.

GMP's credit quality is backed by a generally credit-supportive regulatory framework under the Vermont Public Utility Commission (VPUC) and the Federal Energy Regulatory Commission (FERC). We expect GMP will continue to effectively manage regulatory risk through regulatory mechanisms, including MYRPs and annual true-ups to recover prudently incurred costs. However, the company's credit quality is somewhat constrained by its relatively small customer base and limited geographic and regulatory diversity, which could lead to cash flow volatility.

We expect GMP will maintain stable financial measures over the next few years. As the company executes its zero outage initiatives, we expect its capital expenditure (capex) to elevate in 2025 before coming down slightly in 2026. This could lead to a negative discretionary cash flow through 2026, which will improve in 2027 as its capex continues to step down. Overall, we expect GMP's funds from operations (FFO) to debt will be about 16%-19% through 2027.

Outlook

The stable outlook on GMP reflects our stable outlook on parent Noverco. The stable outlook on Noverco and its subsidiaries reflects our expectation that it will maintain FFO to debt above our 9% downgrade threshold. The outlook also reflects our expectation that management will continue to focus on its core regulated business and effectively manage regulatory risk. Under our base-case scenario, we expect GMP's stand-alone FFO to debt will be 16%-19% through 2027.

Downside scenario

We could lower our ratings on GMP within the next two years if we downgrade Noverco.

Upside scenario

Although unlikely, we could upgrade GMP within the next two years if we upgrade its parent.

Company Description

GMP operates as an electric utility that purchases, generates, transmits, distributes, and sells electricity and utility construction services in Vermont to about 275,000 customers. GMP is a wholly owned subsidiary of Northern New England Power Corp., which is wholly owned by Noverco.

Business Risk

Our business risk profile assessment of excellent reflects the company's lower-risk, regulated electric utility operations under a generally constructive regulatory environment under the VPUC and the FERC. Rates are set through MYRPs with preapproved capex plans, which enhance GMP's cash flow predictability and mitigate the risks associated with regulatory lag and material disallowances. GMP's unconsolidated transmission electric utility investment in Vermont, Vermont Transco LLC (about 77% ownership), is regulated by the FERC, allowing for credit-supportive mechanisms such as forward-looking rates and annual true-ups to recover prudently incurred costs. Although the company is exposed to severe winter storms in Vermont, it can mitigate this risk through a storm reserve and the ability to defer excess costs for future recovery.

The company is currently operating under a MYRP that is effective from Oct. 1, 2022, to Sept. 30, 2026. On May 31, 2024, GMP submitted the second annual base rate filing under the MYRP for fiscal 2025 rates effective Oct. 1, 2024, reflecting a 5.26% increase in base rates with a 9.97% return on equity (ROE). On Aug. 26, 2024, the VPUC approved GMP's rate increase filing of approximately $38 million. GMP filed a petition on Oct. 9, 2024, with the VPUC to seek authorization under the MYRP to increase capital spending on additional transmission, distribution, and storage investments as part of the company's proposed zero outage initiatives, which include a series of grid-hardening upgrades and energy storage installations intended to enhance network resilience. On Oct. 18, 2024, the VPUC approved the framework for up to $150 million in additional capex for transmission and distribution projects over the final two years of the MYRP. In addition, GMP submitted a tariff filing on May 30, 2025, for an annual rate increase of approximately $57 million for fiscal 2025 effective Oct. 1, 2025, reflecting a 7.35% increase in the base rate with a 9.94% ROE. We expect that GMP will continue to seek additional resilience plans from the VPUC beyond 2026.

GMP's business strengths are partially offset by the company's relatively small customer base and limited geographic and regulatory diversity. The company provides services to about 275,000 customers and solely in Vermont, which could lead to some cash flow volatility. Overall, we consider GMP's business risk as being in the weaker end of excellent business risk category relative to that of its peers.

Financial Risk

We assess GMP's financial risk profile using our medial volatility financial benchmark tables rather than the financial benchmarks we use for typical corporate issuers, which reflects the company's lower-risk, regulated utility operations and effective management of regulatory risk. Our base-case scenario incorporates our expectation for a stable regulatory environment with no material, adverse regulatory decisions, and the continued use of regulatory mechanisms. As the company executes its zero outage initiatives, we expect its annual capex will increase to about $275 million-$285 million in 2025 before lowering slightly in 2026 to about $190 million-$210 million and then continue stepping down to about $125 million-$135 million in 2027. The elevated capex would result in a negative discretionary cash flow through 2026, which we expect will improve in 2027. Overall, we believe GMP's financial measures will be in the middle of our expected range of medial volatility for the significant financial risk profile category. Specifically, we expect the company's FFO to debt will be about 16%-19% through 2027.

Group Influence

Under our group rating methodology, we assess parent Noverco as the top entity in the corporate structure, with control and material liabilities that would have bearing on the group's overall credit quality. Given that Noverco controls the Energir group and its material debt of about C$2.7 billion, we assess Noverco as parent of the Energir group and, accordingly, equate the GCP with Noverco's SACP of 'a-'.

We assess GMP as Noverco's core subsidiary. This reflects our view that it is highly unlikely to be sold, operates in the same lines of business as its parent, has a long-term commitment of support from the group in all foreseeable conditions, and is reasonably successful at what it does. GMP also constitutes a significant proportion of its parent's consolidated operations, is closely linked to Noverco's reputation, has operated for more than five years, and is a separate legal entity that is integral to the group.

We also assess GMP as insulated by one notch from the Noverco group. This reflects our assessment that it is a separate entity, its financial performance and funding are highly independent from the group, it has no significant operational dependence on other group entities, it maintains its own records and funding arrangements, and does not commingle funds, assets, or cash flow. We believe there is a strong economic basis for the group to preserve the company's credit strength given each members' significant contribution to the group. We do not expect a default of other group entities to lead directly to a default by group members. However, given that GMP's SACP is lower than the GCP, we align the rating of GMP with the GCP.

Issue Ratings--Recovery Analysis

Key analytical factors

GMP's first-mortgage bonds benefit from a first-priority lien on substantially all of the utility's real property owned or subsequently acquired. Collateral coverage of greater than 1.5x supports a recovery rating of '1+' and an issue-level rating of 'A', which is one notch above the issuer credit rating.

Rating Component Scores

Foreign currency issuer credit rating	**A-/Stable/--**
Local currency issuer credit rating	**A-/Stable/--**
Business risk	**Excellent**
Country risk	Very Low
Industry risk	Very Low
Competitive position	Strong
Financial risk	**Significant**
Cash flow/leverage	Significant
Anchor	**a-**
Modifiers	
Diversification/portfolio effect	Neutral (no impact)
Capital structure	Neutral (no impact)
Financial policy	Neutral (no impact)
Liquidity	Adequate (no impact)
Management and governance	Neutral (no impact)
Comparable rating analysis	Negative (-1 notch)
Stand-alone credit profile	**bbb+**

Related Criteria

- Criteria | Corporates | General: Sector-Specific Corporate Methodology, April 4, 2024
- Criteria | Corporates | General: Methodology: Management And Governance Credit Factors For Corporate Entities, Jan. 7, 2024
- Criteria | Corporates | General: Corporate Methodology, Jan. 7, 2024
- General Criteria: Environmental, Social, And Governance Principles In Credit Ratings, Oct. 10, 2021
- General Criteria: Group Rating Methodology, July 1, 2019
- Criteria | Corporates | General: Corporate Methodology: Ratios And Adjustments, April 1, 2019
- Criteria | Corporates | General: Reflecting Subordination Risk In Corporate Issue Ratings, March 28, 2018
- General Criteria: Methodology For Linking Long-Term And Short-Term Ratings, April 7, 2017

- Criteria | Corporates | General: Recovery Rating Criteria For Speculative-Grade Corporate Issuers, Dec. 7, 2016
- Criteria | Corporates | General: Methodology And Assumptions: Liquidity Descriptors For Global Corporate Issuers, Dec. 16, 2014
- Criteria | Corporates | General: The Treatment Of Non-Common Equity Financing In Nonfinancial Corporate Entities, April 29, 2014
- General Criteria: Methodology: Industry Risk, Nov. 19, 2013
- General Criteria: Country Risk Assessment Methodology And Assumptions, Nov. 19, 2013
- General Criteria: Principles Of Credit Ratings, Feb. 16, 2011

Ratings Detail (as of July 16, 2025)*	
Green Mountain Power Corp.	
Issuer Credit Rating	A-/Stable/--
Issuer Credit Ratings History	
20-Jan-2025	A-/Stable/--
18-Aug-2021	A/Stable/--
08-Dec-2015	A-/Stable/--
Related Entities	
Energir Inc.	
Issuer Credit Rating	A/Stable/--
Energir L.P.	
Issuer Credit Rating	A/Stable/--
Commercial Paper	
Local Currency	A-1
Canada National Scale Commercial Paper	A-1(MID)
Northern New England Energy Corporation	
Issuer Credit Rating	A-/Stable/--
Senior Unsecured	BBB+
Noverco Inc.	
Issuer Credit Rating	A-/Stable/--
Senior Secured	BBB+

*Unless otherwise noted, all ratings in this report are global scale ratings. S&P Global Ratings' credit ratings on the global scale are comparable across countries. S&P Global Ratings' credit ratings on a national scale are relative to obligors or obligations within that specific country. Issue and debt ratings could include debt guaranteed by another entity, and rated debt that an entity guarantees.