GREEN MOUNTAIN POWER
Generating Possibilities Together
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April 30, 2026

Via ePUC

Holly Anderson, Clerk
Vermont Public Utility Commission
112 State Street, 4th Floor
Montpelier, VT 05620-2701

Re: FY2026 2nd Quarter Report of Power Supply, Retail Revenue, and Exogenous Major Storm Adjustors

Dear Ms. Anderson:

In this Quarterly Adjustor Report for the second quarter of Fiscal Year 2026 (FY2026 Q2), Green Mountain Power (GMP) reports on: (1) results for the Power Supply and Retail Revenue Adjustor (PSRRA); (2) results for the Exogenous Major Storm Adjustor (EMSA); and (3) how these results are treated under the Multi-Year Regulation Plan, as filed and approved in Case No. 21-3707-PET, and amended by the Commission on March 30, 2023, in Case No. 23-0141-PET, and October 18, 2024, in Case No. 23-3501-PET (the Plan). As detailed below, the net result for FY2026 Q2 is a collection from customers that will be carried forward. This result requires that, beginning July 1, 2026, the net amount of prior carry forward, $12.901M as described below be reflected on customer energy statements.[1] When combined with other previously approved amounts already in effect, this results in a change to the Current Power and Major Storm adjustor line item from 7.61% to 8.15%, a 0.54% increase on that line item.[2]

Power supply and revenue results yielded a net quarterly collection of $20.648M for FY2026 Q2, driven by higher regional energy prices and the continuing impacts of the Day-Ahead Ancillary Services Initiative (DASI). There were no Major Storms during this quarter, resulting in no EMSA for the period. The Major Storm Restoration Fund collected $1.719M, which GMP requests through our simultaneous tariff filing be applied to the Current Cumulative Carry Forward balance of $14.619M, as was requested and approved in prior similar quarters. This would result in a net collection of $12.901M beginning on July 1, 2026. This quarter's total net collection from customers of $20.648M will be carried forward to next quarter under the terms of the Plan.

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[1] See MYRP § VII.
[2] On March 30, 2023, the PUC approved amendments to the Plan extending the default amortization period of collections or returns to the remaining period of the Plan or twelve months, whichever is longer. See Case No. 23-0141-PET. Under this provision, this change in the Current Power and Major Storm adjustor line will be in effect 12 months through June 30, 2027.

The details supporting the Quarterly Adjustor results are set forth in the Attachments to this filing and described below.

I. Power Supply and Retail Revenue Adjustor Report – Second Quarter Fiscal Year 2026 Results

Attachment 1 to this letter sets forth the accounting details of our FY2026 Q2 PSRRA, and includes the following information:

- Tab 1: Actual Power Costs;
- Tab 2: Power Supply and Retail Revenue Adjustor Results;
- Tab 3: Variance Explanations;
- Tab 4: Retail Sales and Revenue Variances; and
- Tab 5: Supporting Workpapers – Power Costs

Below is a summary of these results and an explanation of the drivers of the variances between actual results and forecast.

1. Power Supply and Retail Revenue Adjustor – FY2026 Q2 Results

In FY2026 Q2, both power supply costs and retail revenues were higher than forecast. The net PSRRA calculation resulted in a collection from customers of $20.648M:

Retail Revenue Collected:	$0.908M more than forecast
Power Supply Costs (net):	$21.557M more than forecast Component A: $16.131 M more than forecast Component B: $5.425M more than forecast (after adjusting for Buy-Throughs and the Efficiency Band)[3]
Total FY2026 Q2 PSRRA:	**$20.648M** collection due to net result higher than forecast

Primary factors driving the variance between actual results and the forecast for the quarter are as follows:

Retail Revenue and Sales Volume

This quarter, retail revenues were $0.908M higher than forecast, and retail sales were 8,158 MWh higher than forecast, not including retail sales associated with the buy-through program

[3] This does not include $1,057,469 in retail revenue and associated kWhs from the buy-through program for Rate 63/65 customers that participate in the Curtailable Load Rider. Retail revenues and associated power supply costs from this program are removed from the PSRRA calculation. Rate 63/65 customers on the Curtailable Load Rider agree to reduce their load when requested by GMP in exchange for a lower rate. Those customers may, however, elect to not reduce their load and instead "buy through" the curtailment event and purchase energy at a rate based on the day-ahead market price. The intent of the program is to keep GMP and non-participating customers unaffected by the actions of the participating customers; therefore, the associated revenues, costs and sales volumes are isolated and removed from the calculation of the PSRRA.

previously described.[4] This variance reflects higher revenues from residential and small commercial and industrial (C&I) customers, offset by lower retail revenues from large C&I customers. Residential sales were $0.706M higher, small C&I sales were $3.919M higher, and large C&I sales were $3.717M lower.

Power Supply

Power supply costs this quarter were meaningfully higher than forecast, primarily due to higher demand charges including from DASI; transmission charges; and higher purchased energy and fuel costs. Offsetting some of these higher costs were lower expenses related to net metering and reduced purchased power expense from hydro resources. Overall, power supply costs were $22.398M higher than forecast. A detailed breakdown follows:

Component A

Component A costs were $16.131M higher than forecast for the quarter, driven primarily by net DASI charges recorded in the ISO demand charges line of Attachment 1. As previously reported, DASI replaced the Forward Reserve Market (FRM). GMP's benchmark costs were set before there was any operational experience in the DASI market, which launched March 1, 2025. Benchmark costs were based on historical FRM charges. Under the new structure, net costs have been materially higher than experienced under FRM and have significantly exceeded ISO-NE's original expectations, affecting all market participants in the region. Gross DASI charges totaled $21.977M for the quarter, partially offset by $7.877 million in revenues earned through GMP's active participation in DASI to reduce these impacts, resulting in a net DASI cost of $14.100M. ISO-NE has launched a review of DASI that is expected to yield changes that will moderate costs in the future, but those unfortunately were not in place during this past quarter when such charges also were impacted by cold weather.

Transmission costs were also above forecast. Despite strong performance from our energy storage systems and flexible load resources, Regional Network Service (RNS) charges were higher than forecast. In January, February and March, our load reduction strategies were able to effectively reduce our RNS peak loads by 16 MWs, 74 MWs, and 36 MWs, respectively, reducing our RNS charges by nearly $2M compared to if no action was taken. However, cold weather conditions resulted in actual charges that were about $1.8M higher than budgeted.

Component B

Gross Component B costs were $6.267 higher than forecast excluding buy-through costs. This variance was driven primarily by increased ISO-NE balancing purchases resulting from higher loads during high priced winter periods, lower hydro generation (both owned and purchased resources), higher HQUS Purchased Power Agreement (PPA), and higher fuel costs.

[4] Excluding buy-through program purchases, total retail sales volume was 8,158 MWh, or 0.7% higher than forecast with residential sales 5,310 MWh or 1.1% higher than forecast, small C&I higher than forecast by 20,836 MWh or 5.7%, and large C&I 17,987 MWh or 6.7% lower than forecast. There was a $0.0007 per kWh average rate variance, which was 0.3% lower than forecast.

During the quarter, net balancing purchases were approximately 10,000 MWh above budget; these shortfalls occurred during periods of exceptionally high prices during this cold winter. As reported last quarter, following completion of the benchmark budget, GMP entered into a new energy purchase agreement with NextEra for 80,575 MWh, resulting in an $8.651M variance while reducing net balancing purchases. This transaction materially reduced market exposure; absent this purchase, balancing costs would have been approximately $2.785M higher, with locational marginal prices averaging over $117/MWh during the quarter.

Also as reported last quarter, the annual HQUS PPA price adjustment took effect in November and contributed $0.5M of the variance, which will persist through the end of FY2026.

Persistent low water levels and frozen rivers continued to suppress hydro output, requiring higher-priced market purchases. Generation from owned zero-fuel-cost resources (hydro, Kingdom Community Wind, Searsburg, and solar) was more than 25,000 MWh below forecast. Purchased hydro resources—including Great River Hydro, FirstLight, Sheldon Springs, LaChute, and other small producers—underperformed by an additional 28,000 MWh due to weather conditions. McNeil generation was approximately 7,000 MWh below forecast.

Our peaking units, both wholly and jointly owned, performed well during these extraordinary market conditions, generating more than they have in years. During the prolonged cold snap from January 23 through February 10, these units cleared in both day-ahead and real-time markets, where prices averaged $276/MWh and $248/MWh, respectively. Their performance in both the energy and DASI markets helped mitigate the financial impact of the exceptionally high-cost winter period.

Consistent with the Plan, GMP absorbed the full amount of the "Efficiency Band" adjustor, decreasing the Component B variance by $0.841M for customers, yielding a net Component B variance of $5.425M higher than costs forecasted for the quarter.[5]

All these variances—Retail Revenue, Component A, and Component B after the Efficiency Band adjustment—net to a PSRRA collection from customers of $20.648M for the quarter.

II. Exogenous Major Storm Adjustor – FY2026 Q2 Results

Vermont did not experience any Major Storm as defined in GMP's regulation plan in FY2026 Q2 and GMP did not incur any Major Storm costs.

Under our Plan, we set a base level of expected storm restoration costs in our annual budget and carry an annual deductible of $1.2M. Any additional expenses caused by qualifying Major Storms are paid for through two mechanisms, an ongoing Major Storm Restoration Fund and, as needed, the EMSA.[6] Consistent with prior quarters, GMP's tariff filing accompanying

[5] The Efficiency Band amount was based on a higher per unit Cost Variance ($0.00497/kWh Component B rate variance) coupled with retail sales volume of 1,136,096 MWh, which was adjusted for buy throughs.
[6] Consistent with the Plan, GMP covers the first $1.2M of any Major Storm expense in a calendar year; for this year, the amount has not yet been incurred.

this report requests that the $1.719M collected through the Major Storm Restoration Fund during the quarter be credited against Major Storm and PSRRA costs, as reflected in the chart below, to reduce customer collections.

The table below shows, by quarter since the start of FY2024, Major Storm expenses and deductibles, Major Storm Restoration Fund collections, any resulting EMSA after application of Restoration Funds, and any remaining Restoration Fund balance. Please see **Attachment 2** for further details of the reported expenses.

Measurement Period	Reported Quarterly Major Storm Expense	Major Storm Deductible	Major Storm Expense Less Deductible[7]	Quarterly Major Storm Restoration Fund Collections	Net Exogenous Major Storm Adjustor[8]	Major Storm Restoration Fund Balance at end of Quarter
FY2024 Q1	$504,948	$0	$504,948	$1,473,423 (including $34,079 interest)	$0	$968,475
FY2024 Q2	$10,078,452	$1,200,000	$8,878,452	$1,662,376 (including $57,842 interest)	$6,247,601	$0
FY2024 Q3	$7,622,668	$0	$7,622,668	$1,409,160 (including $44,105 interest)	$6,213,508	$0
FY2024 Q4	$5,276,966	$0	$5,276,966	$1,592,479 (including $71,266 interest)	$3,684,487	$0
FY2025 Q1	$391,379	$0	$391,379	$1,489,516(including $82,294 interest)	$0	$1,098,137
FY2025 Q2	$48,026	$0	$48,026	$1,798,584 (including $98,891 interest)	$0	$2,848,695[9]
FY2025 Q3	$7,378,923	$1,200,000	$6,178,923	$1,459,350 (including $100,376 interest)	$4,719,573	$0
FY2025 Q4	$37,310	$0	$37,310	$1,540,597 (including $24,606 interest)	$0	$1,503,284[10]
FY2026 Q1	$0	$0	$0	$1,447,610 (including $22,672 interest)	$0	$1,447,610 [11]
FY2026 Q2	$0	$0	$0	$1,718,883 (including $22,588 interest)	$0	$1,718,883 [12]

III. Quarterly Net Adjustment and Cumulative Carry Forward

[7] Total Major Storm Balance, after application of deductible but before application of any Major Storm Restoration Fund amounts.
[8] This represents any qualified Major Storm expense amount included in quarterly Cumulative Carry Forward after application of the deductible and any Restoration Fund collections. See MYRP § VII.
[9]This amount was applied against the accumulated balance approved for collection as of July 1, 2025, in Case No. 25-0849-TF.
[10]This amount was applied against the accumulated balance approved for collection as of January 1, 2026, in Case No. 25-1579-TF.
[11]This amount was applied against the accumulated balance approved for collection as of April 1, 2026, in Case No. 26-0198-TF.
[12]GMP has requested to apply this amount against the accumulated balance proposed for collection as of July 1, 2026, in the accompanying tariff proceeding.

Under the Plan, a bill adjustment for customers occurs when the Cumulative Carry Forward balance of the prior measurement period is greater than $1M, and two consecutive quarterly adjustments are in the same direction. In such cases, the prior Cumulative Carry Forward balance is reflected in customer energy statements starting the first day of the next quarter through the remainder of the Plan term or twelve months, whichever is longer, unless otherwise ordered by the Commission. Here, the FY2026 Q2 and FY2026 Q1 Quarterly Net Adjustments are in the same direction, requiring collection. As previously approved, GMP again proposed to apply the remaining Major Storm Restoration balance of $1.719M to the FY2026 Q1 Cumulative Carry Forward balance of $14.619M to lower the required collection to $12.901M, which will be combined with other previously approved amounts and reflected on customers' energy statements beginning July 1, 2026. This quarter's collection of $20.648M will be carried forward to the next quarterly report.

The chart below reflects the results of FY2026 Q2, and the calculation of the Cumulative Carry Forward since the start of FY2024:

Measurement Period	PSRRA $	Exogenous Major Storm Adjustor/ Restoration Fund Balance Applied $	Quarterly Net Adjustment $	Cumulative Carry Forward $	Collection/ Return Begin Date	Collection (Refund) to Customers
FY2024 Q1	($2,041,362)	$0	($2,041,362)	($2,041,362)	Apr-2024	$10,731,472
FY2024 Q2	($3,802,670)	$6,247,601	$2,444,932	$403,570	Jul-2024	n/a
FY2024 Q3	$3,065,368	$6,213,508	$9,278,876	$9,682,446	Oct-2024	n/a
FY2024 Q4	($5,812,293)	$3,684,487	($2,127,806)	$7,554,640	Jan-2025	n/a
FY2025 Q1	$1,253,202	$0	$1,253,202	$8,807,842	Apr-2025	n/a
Adjusted FY2025 Q1 Cumulative Carry Forward reflecting application of Major Storm Restoration Fund balance at end of FY2025 Q2.		($2,848,695)		$5,959,147		
FY2025 Q2	$6,686,150	$0	$6,686,150	$6,686,150	Jul-2025	$5,959,147
FY2025 Q3	$2,671,876	$4,719,573	$7,391,448	$7,391,448	Oct-2025	$6,686,150
Adjusted FY2025 Q3 Cumulative Carry Forward reflecting application of Major Storm Restoration Fund balance at end of FY2025 Q4.		($1,503,287)		$5,888,161		
FY2025 Q4	$13,636,148	$0	$13,636,148	$13,636,148	Jan-2026	$5,888,161

Adjusted FY2025 Q4 Cumulative Carry Forward reflecting application of Major Storm Restoration Fund balance at end of FY2026 Q1.		($1,447,610)		$12,188,538		
FY2026 Q1	$14,619,489	$0	$14,619,489	$14,619,489	Apr-2026	$12,188,538
Adjusted FY2026 Q1 Cumulative Carry Forward reflecting application of Major Storm Restoration Fund balance at end of FY2026 Q2.		($1,718,883)		$12,900,606		
FY2026 Q2	$20,648,447	$0	$20,648,447	$20,648,447	Jul-2026	$12,900,606

Concurrent with this report, GMP is filing a tariff request to make this adjustment to customers' energy statements. If approved, the proposed adjustment will increase the one line item percentage by 0.54%, from the 7.61% approved in the FY26 Q1 Adjustor proceeding, to 8.15% effective July 1, 2026.

IV. Conclusion

GMP appreciates the Commission's and Department's review of this report. If you have any questions, please reach out.

Sincerely,

Robert A. Bingel

Encls.

cc: Erin Brennan, Department of Public Service *(via ePUC and email)*
Jim Porter, Department of Public Service *(via ePUC and email)*