

**STATE OF VERMONT
PUBLIC UTILITY COMMISSION**

Petition of Green Mountain Power Corporation for	)	
approval of its new Multi-Year Regulation Plan	)	Case No. 25-1955-PET
pursuant to 30 V.S.A. Sections 108, 209, 218, and	)	
218d	)	

Tariff filing of Green Mountain Power	)	
Corporation for a 7.5% rate increase effective	)	Case No. 26-0096-TF
with bills rendered on or after October 1, 2026	)	

**PREFILED REBUTTAL TESTIMONY
OF MARIA FISCHER
ON BEHALF OF
GREEN MOUNTAIN POWER**

April 15, 2026

Summary of Testimony

Ms. Fischer addresses the Department of Public Service’s (“Department” or “DPS”) recommendations to reclassify Transmission by Others within the Power Supply Adjustor and to adjust the Power Supply Adjustor Efficiency Band.

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**PREFILED REBUTTAL TESTIMONY OF
MARIA FISCHER
ON BEHALF OF GREEN MOUNTAIN POWER**

I. Introduction

1 **Q1. Please state your name and occupation.**

2 A1. My name is Maria Fischer. I am the Leader of Power Supply Operations for Green
3 Mountain Power (“GMP”).

4 **Q2. Have you previously submitted testimony in this proceeding?**

5 A2. Yes, I previously provided prefiled direct testimony in this proceeding on August 29,
6 2025.

7 **Q3. What is the purpose of your testimony?**

8 A3. I respond to the Public Service Department's (“DPS” or the “Department”)
9 recommendations to move elements of “Transmission by Others” expense from
10 Component A to Component B of the Power Supply Adjustor, and to adjust the Power
11 Supply Adjustor Efficiency Band for inflation.

II. Transmission by Others Expense

12 **Q4. Does GMP agree with the Department’s recommendation to move “Transmission by
13 Others” from Component A to Component B?**

14 A4. We do not support the proposal to reclassify “Transmission by Others” from Component
15 A to Component B. While GMP’s expanding portfolio of energy storage and flexible load
16 resources provides valuable tools to manage system peaks, these capabilities do not rise

1 to the level of control necessary to justify shifting these costs into a category intended to
2 be meaningfully influenced by utility action. Weather continues to be the primary factor
3 driving peaks, and other price variances for transmission costs are also beyond GMP's
4 influence.

5 Regional Network Service ("RNS") charges are fundamentally driven by zonal
6 peak load conditions, which remain highly sensitive to weather. Although GMP can
7 deploy storage to reduce peak demand at the margin, the magnitude and timing of peak
8 events are still largely dictated by temperature extremes and duration of weather events.
9 These factors introduce a level of volatility that is outside GMP's control and inconsistent
10 with the intent of Component B cost treatment.

11 **Q5. Can you provide an example to illustrate this?**

12 A5. Yes. A comparison of peak conditions in June 2023 and June 2025 illustrates this
13 limitation.

14 In the month of June 2023, GMP's RNS network peak load was 485.9 MW, after
15 a 20.5 MW reduction from storage and flexible load. By comparison, in the month of
16 June 2025, GMP's RNS network peak load was 586.6 MW – and this increase occurred
17 despite a significantly larger 40 MW reduction from GMP's storage and flexible load
18 resources. GMP's fleet for this category grew significantly from 2023 to 2025 and in both
19 instances, GMP effectively deployed its storage fleet during anticipated peak hours.

20 Nevertheless, despite stronger performance from our storage and flexible load
21 resources in 2025, the network peak was approximately 100 MW higher than in 2023.
22 This difference was driven by more extreme weather conditions in 2025, including a

1 prolonged heat wave with high humidity that resulted in a significantly higher zonal peak.

2 In contrast, June 2023 experienced comparatively milder conditions.

3 The table below provides a side-by-side comparison of the two peak days:

Peak Date	June 2, 2023	June 23, 2025
Peak Hour (HE)	21	21
GMP Network Load (MW)	485.9	586.6
Load Reduction (MW)	20.5 MW	40 MW
Reconstituted Peak (MW)	506.4	626.6
Daily High Temp	91°	99°
Temperature at time of peak	79°	89°
Dew Point	61°	65°

4 This example underscores a key point: storage can mitigate peaks, but it cannot
5 eliminate the fundamental variability in peak demand driven by external conditions,
6 namely weather. As such, RNS costs, and “Transmission by Others” more broadly, can
7 be mitigated by GMP’s actions but are fundamentally beyond GMP’s control, and should
8 therefore continue to be treated as Component A costs.

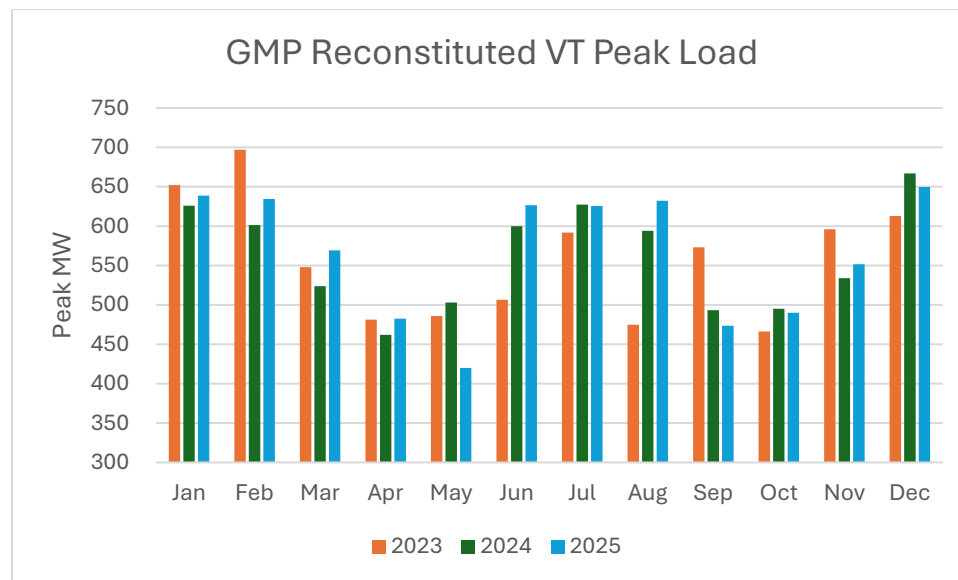
9 **Q6. Are these types of changes in peaks from year to year typical?**

10 A6. Yes. Significant year-to-year variation in peak demand is typical. When comparing
11 historical peaks, it is important to look at reconstituted loads rather than actual observed
12 loads.

13 Monthly reconstituted load is calculated by taking actual hourly loads and adding
14 back the performance of our dispatched load-reducing resources (e.g., batteries, flexible
15 load programs, and some hydro) in each hour. This produces a reconstituted load for each
16 hour of the month. Because these resources are dispatched to reduce peaks, the hour of
17 the actual peak is often shifted and differs from the hour of the reconstituted peak. The

monthly reconstituted peak load is the highest reconstituted hourly load in the month. The effective load reduction is the difference between this reconstituted peak and the actual observed monthly peak.

A review of three years of reconstituted GMP Vermont peak loads demonstrates substantial variability.



The most extreme difference occurred between August 2025 and August 2023, when peak loads differed by 157 MW. Over the three-year period, the highest monthly peak was, on average, 69 MW higher than the lowest peak for the same month.

Q7. What are the implications of this variability for cost classification?

A7. This level of variability underscores that peak demand, and the associated RNS costs, is driven largely by external factors such as weather, rather than GMP's operational actions.

Reclassifying these costs to Component B would be inconsistent with the purpose behind the Component B category, which is meant to include resources over which GMP

1 has clear and measurable control to align GMP's incentive to perform well in managing
2 the costs of those resources. Reclassifying Transmission by Others to Component B
3 would inappropriately shift the cost risk of this category onto GMP, exposing GMP to
4 earnings volatility unrelated to its operational performance. In fact, as the example noted
5 above shows, higher Transmission by Others costs may occur despite better performance
6 by GMP's peak shifting resources.

7 GMP's investments in energy storage and flexible load should continue to be
8 recognized and encouraged through appropriate mechanisms, including the robust
9 performance-based reporting already in place, and metrics where warranted. Mr.
10 Castonguay's testimony describes potential metrics for measuring GMP's performance in
11 deploying these resources tied to the incremental value they provide for customers. That
12 is an appropriate framework to incorporate into the New Plan, rather than reassigning
13 fundamentally exogenous costs to Component B as recommended by the Department.

14 For these reasons, maintaining the current classification of "Transmission by
15 Others" within Component A remains the most appropriate and balanced approach.

16 **Q8. Would limiting the Department's proposal to include only a portion of Transmission**
17 **by Others, specifically those variances directly related to peak performance in**
18 **Component B address the concerns described above?**

19 A8. No, it would not. In discovery, the Department acknowledged that Transmission by
20 Others charges are only under "partial control" by GMP and further that GMP has "little
21 control" over specific charges, such as the VELCO Vermont Transmission Agreement

1 (VTA) charge, which should not be reclassified.¹ The Department further acknowledged
2 that GMP should not be responsible for RNS rate changes outside of its control.² As a
3 result, the Department indicated that its proposal could be modified to account for
4 variances in Transmission by Others that are outside of GMP's control, suggesting that
5 only certain charges, primarily RNS charges, should be reclassified. However, the
6 Department does not propose a specific methodology and has not performed any analysis
7 of which drivers should be reclassified or could be accounted for within Component A or
8 B.

9 Regardless, implementing such a partial approach would introduce significant
10 complexity into forecasting and quarterly Power Supply Adjustor reporting, without any
11 tie to better performance as explained above. It would require separating granular costs
12 within the Transmission by Others category and performing detailed weather
13 normalization and load reconstitution. As discussed and shown in the examples I provide,
14 peak loads are influenced by many factors and fundamentally variable, making it difficult
15 to isolate the impacts attributable to GMP's actions from exogenous drivers, such as
16 weather, that are outside of GMP's control. A partial shift of costs in this category is
17 neither necessary nor workable.

¹ Department's Responses to GMP's First Set of Information Requests A.GMP.DPS.1-13, 1-14, and 1-15.

² Department's Responses to GMP's First Set of Information Requests A.GMP.DPS.1-18 and 1-19. See also A.GMP.DPS.1-17 suggesting that mis-forecasted rates should be adjusted after the rate filing so that they do not impact Component B.

1 **Q9. Are there any other factors that should be weighed when considering the**
2 **Department's recommendation?**

3 A9. Yes, both the Capacity Auction Reform (CAR) and the FERC's March 19, 2026 order
4 reducing the Return on Equity (ROE) to New England Transmission Owners (NETO) are
5 factors that further support leaving the Transmission by Others category unchanged.

6 Capacity Auction Reform

7 As discussed in my prefiled testimony, the Forward Capacity Market (FCM) is
8 undergoing a redesign. Since that filing, ISO-NE has proposed a seasonal cost allocation
9 method consistent with the current annual framework while differentiating between
10 summer and winter obligations. Under this approach, summer capacity costs will be
11 allocated based on contribution to the summer peak, and winter capacity costs will be
12 based on contribution to the winter peak.

13 If this framework is implemented, GMP will be managing two distinct capacity
14 peaks each year rather than one. This change, if finalized, will introduce additional
15 operational complexity, as storage and flexible load resources will need to be optimized
16 across both capacity and RNS peak intervals. In addition, resource accreditation
17 methodologies under the market redesign have not yet been finalized. These
18 methodologies will influence the supply of capacity resources in the region and, in turn,
19 may affect future capacity market prices. This could increase the relative value to GMP
20 and its customers of reducing capacity peaks.

21 These changes and the associated uncertainty regarding the new market design,
22 not within GMP's material control, weigh in favor of leaving the Transmission by Others

1 category within Component A. They also highlight the importance of maintaining a
2 flexible portfolio of storage and demand-side resources that can be dispatched to
3 maximize customer value as ISO-NE markets and GMP system needs continue evolving.
4 FERC ROE Order³

5 FERC's March 19, 2026, Order reduces the allowed ROE for New England
6 transmission owners from 10.57% to 9.57%, and imposes periods of retroactivity that
7 stretch back to October 2011, when the initial complaint was filed. As a result, NETOs
8 are in the midst of determining how to return overcollected revenues with interest to
9 transmission customers, including GMP. Requests for delays have already been filed and
10 appeals or further litigation is possible.

11 While circumstances may change through additional filings, the current proposal
12 is to distribute refunds on a monthly basis through new line items on ISO invoices over a
13 16-month period, beginning in August 2026. The Order will also affect VTA charges,
14 which are also part of Transmission by Others in Component A. The reduction in ROE
15 will lower RNS rates, decreasing the revenues VELCO receives from the region.
16 However, VELCO's overall revenue requirement will remain unchanged. As a result,
17 Vermont distribution utilities will incur higher VTA charges to recover the portion of
18 VELCO's revenue requirement not covered by RNS revenues.

19 While the timing and final outcomes related to this Order remain in flux, what is
20 certain is that because RNS refunds relate to overcollections under ISO-NE's OATT

³ The New England Order in EL11-66 available at:
https://elibrary.ferc.gov/eLibrary/filelist?accession_number=20260319-3098&optimized=false

Schedules 1 and 9, which historically flowed through Component A, they should likewise be returned to customers through Component A. And since VTA costs are interrelated and often offsetting, these too should remain within Component A.

III. Power Supply Adjuster Component B Efficiency Bands

Q10. Please explain GMP's position on the Department's recommendation to index the Component B Efficiency Band to inflation.

A10. The Department recommended indexing the Efficiency Band to inflation, asserting that maintaining a fixed absolute dollar bandwidth has effectively reduced GMP's relative risk. This position does not take into account that the corresponding potential benefit to GMP, a risk mitigator, has likewise diminished. Moreover, the asymmetrical structure of the Efficiency Band means that GMP already faces greater risk in the case of unfavorable variances, while limiting GMP's potential upside during favorable periods.

While GMP acknowledges that power supply costs have increased since the current Efficiency Band was established, the overall structure has continued to serve its intended purpose. Power costs are influenced by a variety of factors not directly tied to general inflation, and so annual inflation-based adjustments as recommended by the Department are not warranted. Instead, GMP proposes revising the bandwidth at the outset of the New Plan for its duration such that, on a quarterly basis, GMP retains the first \$175,000 of favorable variances and absorbs the first \$350,000 of unfavorable variances. Please refer to Exh. GMP-LD-RB-1 (Rev. 2) at Section VI.A.2.ii.b.

1 **Q11. Does that conclude your testimony at this time?**

2 A11. Yes, it does.

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

Dated at Colchester, VT on the 15th day of April, 2026.

Maria Fischer
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