On August 3, 2018, GMP filed a petition with the Public Utility Commission (PUC) seeking approval of a plan for how to divide the costs GMP incurs to provide reliable and safe service to its customers across rate classes. This proceeding is commonly referred to as "rate design." We are providing this notice to inform you that GMP is now engaged in a rate design process so that you can participate in the case or provide comments to the PUC.

How will rate design affect you? Rate design does not change the total amount of money collected from customers overall. Instead, GMP's proposed plan provides recommendations about how it will divide costs across rate classes or customer types to ensure it is more accurately charging for and recovering the costs to provide service to each group of customers. The PUC will review GMP's recommendations and determine whether to accept, reject, or change the company's plan. While the total amount of money GMP collects will not increase or decrease because of this proceeding, certain customer classes (such as the rates for residential or commercial customers) may see increases or decreases across rates, fees, and customer charges because they may pay a different percentage of the total cost to provide service than they do now. Here is the breakdown by customer class of GMP's recommended percentage adjustments:

Customer Class	GMP recommendation
Residential Rate 1	-0.44%
Residential Rate 11	0%
Storage Space Heating Rate 13	0%
Controlled Water Heating Rate 3	2.0%
Street Lighting Rate 19	0%
General Service Rate 6	-1.0%
General Service Rate 8	1.0%
Primary Voltage C&I Rate 12	4.0%
Cable TV Co. Rate 15	-4.0%
Commercial & Industrial Rate 63/65	1.0%
Transmission Rate 70	-2.73%
NET TOTAL CHANGE (No Additional \$ to GMP)	0.0%

Why is GMP filing a rate design case now? GMP committed to filing rate design recommendations with the PUC during 2018 because utilities are expected to periodically update the allocations used to ensure each type of customer is paying a fair and reasonable percentage of the total cost of service.

How can I participate? Please be part of the process by attending the below information session or making a public comment in person at the hearing listed below or online. GMP posted information related to the rate design case on its website at: <u>https://greenmountainpower.com/regulatory/filings/</u>. You can follow this case and review materials at the PUC's website by searching for Case No. 18-2850-TF at <u>http://puc.vermont.gov/epuc-</u><u>information/case-and-document-search</u>. The Vermont Department of Public Service will host a public information session at 6:30 p.m. and the PUC will conduct a hearing to collect public comments at 7:00 p.m. at the following date and location:

Rutland Free Library at 10 Court Street - October 10, 2018

Comments may be submitted online at any time at <u>http://puc.vermont.gov/epuc-information/make-filing</u> or by email to <u>puc.clerk@vermont.gov</u> or by writing to the Clerk of the Commission at the Public Utility Commission, 112 State St., Montpelier, VT 05620-2701.