

**GREEN MOUNTAIN POWER
MULTI-YEAR REGULATION PLAN
Proposed September 1, 2021**

TABLE OF CONTENTS

I.	TERM	3
II.	SUMMARY OF MULTI-YEAR REGULATION PLAN COMPONENTS.....	3
III.	PROCESS FOR ESTABLISHING ANNUAL BASE RATES	4
	A. Initial Year (FY23) and Forecasted FY24 to FY26 Base Rate Changes.....	4
	B. Timing for Annual Base Rate Filing (FY24, FY25, FY26)	5
	C. Notice	5
	D. Review and Approval.....	5
	E. Schedule for Filings.....	5
IV.	COMPONENTS OF ANNUAL FY24 TO FY26 BASE RATES	6
	A. Non-Power Costs (Forecast & Fixed)	7
	B. Power Supply Cost and Retail Revenue (Forecasted and Updated Annually).....	12
	C. Income Taxes & Related Costs (Forecasted and Updated Annually)	13
	D. Financing Costs – Return On Equity (Annual Update Based on Formula)	13
V.	RATE SMOOTHING MECHANISM.....	13
VI.	DESCRIPTION OF RATE ADJUSTORS, FILING PERIODS, AND EFFECTIVE DATES.....	14
	A. Retail Revenue Adjustor & Power Supply Adjustor.....	14
	B. Exogenous Change Adjustment	17
	C. Earnings Sharing Adjustor Mechanism.....	20
	D. Residual Adjustments.....	21
VII.	RECOVERY OF THE RETAIL REVENUE, POWER SUPPLY, AND MAJOR STORM ADJUSTORS.....	21
VIII.	INNOVATION AND PERFORMANCE METRICS AND OTHER PLAN COMPONENTS	24
	A. Plan Support of Vermont Energy Goals and Customer Service Offerings	24
	B. Innovative Pilot Program.....	24
	C. Service Quality	24
	D. Innovation & Performance Metrics.....	25

E. Low Income.....	25
IX. LIMITATIONS ON OTHER RATE CHANGES	25
X. MISCELLANEOUS	25

LIST OF ATTACHMENTS

Attachment 1(a)	Summary of Cost-of-Service Treatment
Attachment 1(b)	Summary of Rate Base Treatment
Attachment 1(c)	Summary of O&M Cost Treatment
Attachment 2	Innovative Pilot Program
Attachment 3	Annual ROE Indexing Methodology
Attachment 4	Component A and B Power Supply Costs
Attachment 5	Example RRA and PSA Calculation
Attachment 6	Example ESAM Calculation
Attachment 7	Innovation and Performance Metrics
Attachment 8	Summary of Filings under New Plan

This Plan constitutes a form of regulation for Green Mountain Power (“GMP” or the “Company”) under 30 V.S.A. § 218d. The Plan governs the manner in which the electric rates of GMP will be regulated by the Public Utility Commission (the “PUC” or “Commission”) during the term of the Plan, and a record of filings of all adjustments occurring out of this Plan shall be filed as a compliance tariff.

I. TERM

The Plan shall take effect on September 1, 2022 for rates effective October 1, 2022 and shall terminate on September 30, 2026, unless a one-year optional extension is approved by the Commission. The Plan shall be divided for reference herein into the following rate periods:

FY23	October 1, 2022–September 30, 2023
FY24	October 1, 2023–September 30, 2024
FY25	October 1, 2024–September 30, 2025
FY26	October 1, 2025–September 30, 2026

Rates incorporating adjustments allowed under this Plan shall continue beyond the termination date, as provided in Section VI(D) below. The Plan may be terminated or modified upon request of the Company and/or the Department of Public Service (“DPS” or “Department”) and subject to approval by the Commission. Unless otherwise ordered by the Commission, GMP shall file a cost-of-service rate case prior to the termination of the Plan to cover rates for the fiscal year following the termination of the Plan.

II. SUMMARY OF MULTI-YEAR REGULATION PLAN COMPONENTS

The proposed Plan consists of several components, which together are designed to address each of the specific elements of GMP’s overall cost of service. These include components that will be fixed for the term of the Plan based on a reviewed forecast at the beginning of the Plan; components that are adjusted year to year based on a formula; and components where costs and revenues will be reforecast annually and then adjusted to collect or return actual costs and revenues in each fiscal year. The specific treatment of each aspect of the company’s cost of service and rate base are identified in **Attachments 1(a), 1(b) & 1(c)**,

which describes whether the component will be fixed at the outset of the Plan, forecasted and adjusted annually, or based upon a formula or calculation performed annually.

One of the goals of the Plan is to develop a smooth rate path for GMP's customers over four years. This will be accomplished by:

- (1) Developing, at the beginning of the Plan, an Initial Projected Smoothed Base Rate change for the term of the Plan;
- (2) Locking certain non-power costs for the term of the Plan;
- (3) Adjusting annual base rates only to incorporate changes in such items as certain O&M costs, power supply costs, revenue, income taxes, changes in return on equity, and other specific adjustments approved by the PUC under this Plan;
- (4) Providing an option to further smooth annual rate adjustments, as described in Section V of this Plan;
- (5) Continuing the netting of the Revenue, Power Supply and Major Storm Adjustor and only implement collection/return of the netted adjustment when the direction of collection/return goes in the same direction two quarters in a row and is at least \$1M, which has proven to be an efficient mechanism to smooth the collection/return of these adjustments; and
- (6) Incorporating a Major Storm Restoration Fund as described in Section VI of the Plan, to offset costs.

The Plan also supports continued innovation and performance by GMP for customers through provisions for Innovative Pilots and reporting metrics to support service quality, resiliency, energy supply, and load control goals, among others.

III. PROCESS FOR ESTABLISHING ANNUAL BASE RATES

A. Initial Year (FY23) and Forecasted FY24 to FY26 Base Rate Changes

Initial Base Rates for FY23 shall be reviewed and established as approved in GMP's FY23 Rate Case including the Initial Rate-Smoothing Mechanism ("IRSM") described more fully in Section V below.

During the FY23 Rate Case, GMP will file its Forecasted FY24 to FY26 base rate

changes to provide an Initial Projected Smoothed Base Rate for all four years of the Plan, using the rate-smoothing methodology set out in Section V, below.

B. Timing for Annual Base Rate Filing (FY24, FY25, FY26)

Subsequent base rate filings shall be made on June 1 of each year (starting June 1, 2023) and include the expected base rate adjustments for the following year of the Plan, based on any annual adjustments authorized under the Plan and application of the Rate-Smoothing Adjustment discussed more fully in Section V below. These Annual Base Rate Filings shall be accompanied by a narrative explanation of information reasonably needed to assist in understanding the filing.

C. Notice

The Annual Base Rate Filing shall be posted on the Company website at the time of filing, and the Company shall provide individual customer notice through bill notification of each Plan period's Base Rate Annual Adjustment when its request to effectuate those changes is filed.

D. Review and Approval

The Commission's Order in the FY23 Rate Case along with approval of this Plan's Initial Rate-Smoothing Mechanism, described in Section V, shall set the FY23 Initial Base Rate. The proposed Annual Base Rate filings thereafter shall be subject to DPS review and comment (including independent expert review, as needed), and PUC approval. The Department shall file comments on the Company's Annual Base Rate Filings within 60 days of the filing. Final rates for the coming fiscal year shall be set by the PUC no less than 30 days prior to the start of the fiscal year.

E. Schedule for Filings

The schedule for all required filings under this Plan is outlined in **Attachment 8**, including the Annual Base Rate filings discussed in this section, Adjustor filings

discussed in Section VI, and the Innovation and Performance Metrics discussed in Section VIII(D).

IV. COMPONENTS OF ANNUAL FY24 TO FY26 BASE RATES

GMP's Forecasted FY24 to FY26 base rate changes shall consist of certain locked non-power cost components, plus forecasted non-power cost components, and forecasted power supply, revenue and income tax components. As set forth below, some cost components will be refreshed annually based on updated forecasts. The forecasted rates will also incorporate a return on equity component, which will be adjusted annually based on an ROE formula set in the Plan.

At the beginning of the Plan, GMP will develop an Initial Projected Smoothed Base Rate and will use the Initial Rate-Smoothing Mechanism set forth in Section V to smooth out anticipated variation in overall rates during the Plan.

The Forecasted FY24 – FY26 base rate changes will consist of:

- (1) Non-power cost forecast for FY24, FY25, & FY26;
- (2) Power supply & revenue forecast for FY24, FY25, & FY26;
- (3) Income tax, ADIT forecast for FY24, FY25 & FY26; plus
- (4) 3-year estimated ROE.

The treatment of all cost categories year to year (e.g., fixed, forecasted, or annually adjusted) is set forth in **Attachments 1(a), 1(b), and 1(c)**.

Annual Base Rate filings for FY24, FY25 and FY26 will adjust the Initial Projected Smoothed Base Rates filed with the FY23 Rate Case to account for annual adjustments authorized under the Plan. The FY24, FY25 and FY26 Annual Base Rate filings will refresh certain non-power costs, the power supply & revenue forecasts, income taxes & ADIT, and the adjustment for ROE provided by the formula established in the Plan, plus any other changes authorized by the PUC under the specific provisions of this Plan. These adjustments to the Initial Projected Smoothed Base Rate may be further smoothed as

described in Section V below to result in the annual base rate change for FY24, FY25 and FY26 filed with the Commission each June and subject to review by the Department and approval by the Commission.

In setting the proposed Annual Base Rates for each fiscal year, the components of GMP's cost of service shall be established as follows, consistent with **Attachments 1(a), 1(b), and 1(c)**:

A. Non-Power Costs (Forecast & Fixed)

1. *Infrastructure Costs (Capital Expenditures, Depreciation, Property Taxes)*

i. Capital Expenditures

Overall base capital expenditures that are closed to Plant In Service during each fiscal year of the Plan is expected to be equal to the following amounts:

FY23 *Set in FY23 Rate Case;*
FY24 *Established as part of FY23 Rate Case;*
FY25 *Established as part of FY23 Rate Case;*
FY26 *Established as part of FY23 Rate Case.*

These amounts will include GMP's anticipated Plant Additions during each fiscal year, including climate resiliency work similar to work described in the Climate Plan approved by the Commission in Case No. 20-0276-PET, ongoing new initiatives capital projects, and forecasted amounts for GMP's anticipated capital spending for customer battery storage such as through an extension of the Energy Storage System ("ESS") program. These amounts will remain fixed in rates unless supplemented with approved new initiative tariff plant additions (see Section IV(A)(1)(iv)), approved Unexpected Circumstances and Strategic Opportunities plant additions (see Section IV(A)(6)), Cybersecurity plant additions (Sections IV(A)(7)), and any annual broadband deployment work as approved by the Commission in Case No. 21-0544-TF or otherwise allowed in support of the State's broadband deployment goals during the term of the Plan.

The actual annual plant additions will vary from year to year based upon the timing of capital project completions and the closing of projects from the Construction Work in Progress balance to the Plant in Service balance, but GMP shall be held to cumulative plant additions during the term of the Plan not to exceed the total of the annual approved capital expenditure amounts.

ii. Depreciation Costs

Depreciation costs shall be fixed for the term of the Plan based on the projected plant in service balance at the beginning of the Plan, the expected annual plant additions, and known retirements. This forecast may only be adjusted to reflect any allowed capital expenditures approved by the PUC year to year as discussed in Section IV(A)(1)(i) above. GMP will perform an updated depreciation study in FY25, which will be reviewed and incorporated into future rates or regulation plans as approved by the Commission.

iii. Property Taxes

Property taxes are fixed during the Plan term based on a three-year forecast of expected property taxes, taking into account the fixed capital expenditures identified above. This forecast may only be adjusted to reflect any allowed capital expenditures approved by the PUC year to year as discussed in Section IV(A)(1)(i) above.

iv. New Initiative Tariffed Offerings

Capital costs associated with tariffed offerings for New Initiative Programs approved by the Commission during the term of the Plan will be added to the total approved plant additions under the Plan. Any proposed tariffs for New Initiative Programs will be subject to the usual review and approval process for tariffs under 30 V.S.A §§ 225, 226, & 227, including that they will result in just and reasonable rates. During the term of the Plan, GMP will not seek to recover through rates the cost-of-service impacts of New Initiative capital projects until

after the capital project is complete and recorded to plant in service. GMP will separately track and record to a regulatory asset the incremental cost-of-service impacts (return, accumulated deferred income taxes, depreciation expense, property taxes, and O&M costs, offset by incremental other operating revenue) from the time the New Initiative capital project is placed in service until the New Initiative capital project cost-of-service impacts are reflected in base rates.

GMP will accrue a return on the regulatory asset based on GMP's weighted average cost of capital, excluding the deferred debt and equity components of the regulatory asset, but defer collection until the Commission specifically approves including the New Initiative capital project in base rates. The regulatory asset will be included in a future Annual Base Rate filing, or the follow-on rate case for the fiscal year following the termination of the Plan.

2. Operations & Maintenance Costs

Operating and Maintenance costs are the Other Power Supply, Transmission – Other, Distribution, Customer Accounting, Customer Service and Information, Sales and Administrative, and General Categories of the cost of service. A variety of cost types (e.g., payroll and benefits, Digsafe underground protection, non-major storm costs, and various types of outside services, consumables, etc.) make up these cost categories. GMP has the ability to exert various levels of control over certain of these cost types and very limited or no control over other cost types. Cost types that GMP has a level of control over will either be fixed or adjusted for inflation based upon an external, publicly available index (only the inflation rate is adjusted to reflect more current inflation rates), and cost types GMP has little or no control over will be reforecasted annually based on updated actuarial reports, consultant reports, or GMP known and measurable bid or other cost information. Attachment 1(c) summarizes how these O&M costs will be calculated for FY24, FY25, and FY26.

3. *Financing Costs (Debt)*

i. Debt Costs

GMP's debt costs shall be fixed based on a forecast of anticipated debt balances and costs for each fiscal year of the Plan. The cost of debt will be based on forecasted long-term and credit facility borrowing balances and reflect any change in the average long-term debt interest rate due to redemption of existing bonds and issuance of new bonds. The average credit facility debt interest rate will be forecasted based on terms of GMP's credit facility approved by the Commission in July 2021 and executed in August 2021. These estimated debt costs will be fixed for the term of the Plan, subject to any changes in debt levels necessitated by the PUC's approval of additional expenditures under the terms of this Plan, which will be incorporated in the next Annual Base Rate update.

ii. Debt to Equity Ratio

GMP shall utilize a 50/50 debt to equity ratio plus or minus 1% in all forecasting under the Plan and shall also endeavor to adhere to that ratio in its operations. To the extent its actual operating ratio differs, GMP shall be subject to the Earnings Sharing Mechanism described below.

4. *Earnings in Affiliates*

VT Transco investments and equity in earnings and distributions associated with such investments will be updated annually. All other equity-in-earnings, continued investments in, and distribution of earnings, will be fixed based on a Plan period forecast for the following Affiliated Companies that are currently in rates:

- Vermont Yankee Nuclear Power Corporation;
- Maine Yankee, Connecticut Yankee, and Yankee Atomic;
- Green Lantern;
- NE Hydro Trans and NE Hydro Trans Electric;
- VELCO; and
- JV Solar-Storage.

Any proposal to invest in new affiliates during the term of the Plan will require specific PUC approval. The request for approval will include a summary of the cost-of-service impacts and/or benefits of the proposed new affiliate investment.

5. Other Costs & Revenues

Categories of non-power costs and non-retail revenues not addressed in Sections IV(A)(1–4) shall be set for the term of the Plan based on the reviewed forecast of those costs and revenues, as set forth in **Attachment 1(a)**.

6. Unexpected Circumstances and Strategic Opportunities

Notwithstanding the other provisions of this Plan, GMP may petition the PUC for approval at any time during the Plan for incremental plant in service additions, expenses and revenue to be included in rates when either unexpected circumstances or new strategic opportunities arise that provide material benefit to customers.

Strategic opportunities here may include, but are not limited to, categories of investments that provide new opportunities to increase the resiliency of the distribution system or help to better monitor, manage, and operate the distribution system for more effective integration of distributed energy systems and loads that were not reasonably anticipated at the onset of the Plan. These opportunities help to advance GMP's objectives of lower-cost service to customers and increased integration of distributed energy resources.

In its petition for relief, GMP will bear the burden of demonstrating that the proposed investments, expenses, and revenue for unexpected circumstances or new strategic opportunities are in customers' best interests and will result in just and reasonable rates in the long run. Base rates may be adjusted at the next quarter after any approval under this provision, or at the next Annual Base Rate filing, unless otherwise ordered by the Commission.

7. *Cybersecurity Plan*

GMP will include presently expected IT and cybersecurity investments in its forecasts for the Plan period. In light of rapidly evolving standards and expanding reach of connected resources, and notwithstanding the other provisions of this Plan, GMP may file a Cybersecurity Plan during the term of the Plan proposing additional capital expenditures and/or operational and maintenance expenses for cybersecurity investments. Any such Cybersecurity Plan shall explain why it is in customers' best interest and will result in just and reasonable rates; shall set forth the proposed accounting treatment of any capital costs and expenses associated with the Cybersecurity Plan and the amount of any proposed base rate adjustments; and shall be subject to Commission review and approval.

B. Power Supply Cost and Retail Revenue (Forecasted and Updated Annually)

GMP's annual forecast of retail revenue and power costs shall be established using the following methodology: annually a third-party vendor (Itron, Inc., or a similar outside consultant with expertise in the field of energy forecasting both throughout the country and within Vermont) will provide GMP with a weather-normalized retail revenue forecast and GMP will prepare a power supply forecast based upon the provided retail revenue forecast. The revenue forecast will take into account such factors as historical data, projections about economic growth and efficiency improvements, company tariffs, impacts on retail revenue due to greater solar net-metering, and any other known changes for the upcoming year. The power supply forecast will include expected expenses associated with serving the retail revenue load, including costs and wholesale market revenues related to energy, capacity, transmission, ancillary services, renewable energy credits, and Renewable Energy Standard compliance. These forecasted net expenses will reflect both GMP's production and purchased contract costs, along with interchanges with the wholesale power market. To facilitate the Department's review, GMP shall provide to the Department of Public Service the retail revenue forecast and the power supply forecast promptly upon completion and at least 30 days prior to GMP's Annual Base Rate filing date.

C. Income Taxes & Related Costs (Forecasted and Updated Annually)

GMP will annually forecast State and Federal Income Taxes, ADIT, and Gross Revenue & Fuel Gross Receipt Taxes based on the other authorized adjustments in overall income or power costs. The forecast of these costs will be updated annually and filed with the Annual Base Rate Filing.

D. Financing Costs – Return On Equity (Annual Update Based on Formula)

GMP's return on equity will be updated annually based on the formula established in this Plan. In FY24, GMP's ROE shall be indexed from the ROE approved in the FY23 Rate Case. In each ensuing year, indexing shall occur from the ROE in effect for the current year. The indexing shall be consistent with **Attachment 3**. Calculations showing the appropriate adjustment will be filed annually with the Annual Base Rate Filing.

V. RATE-SMOOTHING MECHANISM

The Plan contains an Initial Rate-Smoothing Mechanism applied at the beginning of the Plan and an option for additional smoothing in FY24–FY26 if proposed by GMP and approved by the Commission. The Initial Rate-Smoothing Mechanism is set at the beginning of the Plan based on the FY23 Rate Case filing and the Initial Forecasted FY24 to FY26 cost of service. The Initial Rate-Smoothing Mechanism establishes an annual amount that is either added to or subtracted from the revenue requirement for each fiscal year of the Plan, to set an Initial Projected Smoothed Base Rate path. The Initial Projected Smoothed Base Rate will set the FY23 base rate and will represent the projected average annual base rate change for each subsequent fiscal year in the Plan based on current forecasted revenue requirements and a uniform projected annual base rate change for all four years of the Plan.

A regulatory asset or liability will be established at the beginning of the Plan based on the Initial Rate-Smoothing Mechanism to account for any adjustments to the forecasted costs or revenues in each fiscal year that are necessary to establish the Initial Projected Smoothed

Rate. The regulatory asset or liability will reverse over the term of the Plan and will be zero at the end of the Plan.

In FY24, FY25, and FY26, GMP will have the option of proposing additional rate smoothing of the difference between a fiscal year’s actual base rate change and its Initial Projected Smoothed Base Rate Change, where such smoothing would benefit customers by minimizing rate variation over the term of the Plan. GMP will propose any smoothing in the Annual Base Rate filing for each fiscal year, which is subject to Commission review and approval.

VI. DESCRIPTION OF RATE ADJUSTORS, FILING PERIODS, AND EFFECTIVE DATES

The following rate adjustors, filing periods, and effective dates shall be applied during the term of the Plan.

A. Retail Revenue Adjustor & Power Supply Adjustor

1. Retail Revenue Adjustor

The Retail Revenue Adjustor shall collect or return to customers, on a bills-rendered basis as described below, the difference between the actual retail revenue every Measurement Quarter and the forecasted retail revenue amount included in base rates for that quarter (the “Quarterly Retail Revenue Variance Amount”). The measurement periods and filing dates are as follows:

Retail Revenue Adjustor	Measurement Period	Filing Date	30 Day Review Period End Date
FY 2023 - 2026			
Q1	Oct 1 -- Dec 31	Jan 30	Mar 1
Q2	Jan 1 -- Mar 31	Apr 30	May 30
Q3	Apr 1 -- Jun 30	Jul 30	Aug 30
Q4	Jul 1 -- Sept 30	Oct 30	Nov 30

2. *Power Supply Adjustor*

The Power Supply Adjustor shall collect or return to customers, on a bills-rendered basis as described below, the difference between the actual power supply costs every Measurement Quarter and the forecasted power supply costs included in base rates for that quarter, as adjusted by the Power Supply Efficiency Calculation set forth below. The resulting figure is the “Quarterly Power Supply Variance Amount.” The measurement periods and filing dates are as follows:

Power Supply Adjustor			30 Day Review Period End Date
	Measurement Period	Filing Date	
FY 2023 - 2026			
Q1	Oct 1 -- Dec 31	Jan 30	Mar 1
Q2	Jan 1 -- Mar 31	Apr 30	May 30
Q3	Apr 1 -- Jun 30	Jul 30	Aug 30
Q4	Jul 1 -- Sept 30	Oct 30	Nov 30

The Power Supply Adjustor Calculation shall be made as follows:

i. Component A Quarterly Variance

The Component A Quarterly Variance for each Measurement Quarter is the dollar amount of any variation between (a) actual Component A Costs for the Measurement Quarter and (b) the Component A Costs included in the Company’s base rates for the corresponding quarter, and shall be summed with the Component B Quarterly Variance described below.

ii. Component B Quarterly Variance

Calculated as follows:

a. The Component B Quarterly Variance for each Measurement Quarter is the dollar amount of any variation between (1) actual total Component B Costs

for the Measurement Quarter and (2) forecasted total Component B Costs included in the cost of service underlying the Company's base rates for the corresponding quarter, summed with the result of the Component B Cost Variance calculation.

- b. The Component B Cost Variance calculation compares (a) the actual cost per kWh achieved during the Measurement Quarter (actual Component B Costs for the Measurement Quarter divided by actual retail kWh sales volumes for that quarter) with (b) the cost per kWh benchmark (forecasted Component B costs for the Measurement Quarter divided by forecasted retail kWh sales volumes for that quarter), and multiplies the resulting variance (in \$ per kWh) by actual retail sales in kWh for the Measurement Quarter. The Component B Cost Variance is then modified by the amounts that GMP will absorb or retain—specifically, all Component B Cost Variance up to the Component B Efficiency Band of +\$150,000 (retained by GMP) and -\$307,000 (absorbed by GMP), plus 10% of any Component B Cost Variance outside of that Component B Efficiency Band.

A list of the Company's Component A and Component B power supply costs is attached as **Attachment 4**.

The Company shall maintain separate accounts for Component A and Component B costs.

3. Return/Collection of the Retail Revenue Adjustor and Power Supply Adjustor

The quarterly adjustment associated with both the Retail Revenue Adjustor and the Power Supply Adjustor shall be filed as described above in Section VI(A)(1) & (2). These adjustors will be calculated separately, as described above, but the return/collection of these adjustments to/from customers will be based on the methodology described in Section VII below.

An example of how the Retail Revenue Adjustor and the Power Supply Adjustor will be calculated is provided as **Attachment 5**. The calculated variance for these two Adjustors will be netted against the Major Storm Adjustor and collected from or returned to customers through a separate line item (“Current Energy/Major Storm Adjustor”) on the customers’ bills in accordance with the methodology in Section VII.

B. Exogenous Change Adjustment

The Exogenous Change Adjustment has three components: (1) Exogenous Non-Storm Changes, (2) Exogenous Major Storm Changes during the Plan, and (3) a Major Storm Restoration Fund. Each item is described separately below.

1. Exogenous Non-Storm Changes

Exogenous Non-Storm Changes shall consist of material cost or revenue changes from the Annual Base Rate filing. Exogenous Non-Storm Changes shall be measured over each fiscal year. Cost or revenue changes are material if the incremental costs in aggregate exceed \$1.2 million in any measurement period, and they relate to the following:

1. Changes in tax laws that impact the Company.
2. Changes in Generally Accepted Accounting Principles.
3. Any Federal Energy Regulatory Commission or New England Independent System Operator rule, tariff, or other changes affecting the Company and not a part of the Power Supply Adjustor.
4. Other regulatory, judicial, or legislative changes affecting the Company not already anticipated in the design of this Plan.
5. Net loss of major customer(s) load not related to weather and not a part of the Retail Revenue Adjustor.
6. Major unplanned costs or investments, such as those incurred due to unexpected major maintenance or operations interruptions (unrelated to storms), major repairs to Company-owned power plants not a part of the

Power Supply Adjustor, and major unplanned expense items such as pension settlement accounting.

The \$1.2 million for Exogenous Non-Storm changes is a threshold, not a deductible. If the threshold is met, the total incremental impact of the Exogenous Non-Storm Change will be reported 60 days after the end of each fiscal year, along with a proposal to collect costs or return revenues to customers. This may include proposing to offset the costs—or apply the revenue against—other annual adjustors in this Plan, or propose a plan to collect from or return these benefits to customers separately through a line-item credit, as it has done for federal tax reform benefits as approved by the Commission in 2018 and in the Company’s 2019 base rate filing in Case No. 18-0974-TF.

Within 60 days from the end of each measurement period, the calculation associated with the Exogenous Non-Storm Change Adjustor shall be filed and subject to review and comment by the Department. The Commission shall approve the proposed adjustments no later than 45 days prior to April 1 of the following year, so that the Exogenous Non-Storm Change Adjustor can be reflected as a separate line item on customer bills for the ensuing 12 months, unless as otherwise ordered by the Commission, commencing April 1 of each year.

2. Exogenous Major Storm Changes

Exogenous Major Storm Changes shall consist of increased costs experienced by the Company relating to the incremental maintenance expenses incurred for Major Storms (as defined in the Company’s Service Quality & Reliability Performance, Monitoring & Reporting Plan (the “SQRP”)), and further defined as a storm that causes the Company to incur incremental maintenance expenses in excess of \$1.2 million.

This per-storm \$1.2 million in maintenance costs is a threshold, which defines what qualifies as a “Major Storm,” and is not a per-storm deductible.

To the extent the Company experiences one or more “Major Storms,” in a fiscal year it may recover those costs from customers, minus a one-time annual \$1.2 million deductible that is deducted from the total aggregate cost associated with all qualifying Major Storms in any given fiscal year. The deductible shall not be applied twice to costs associated with any individual storm if collection for those costs extend into a second fiscal year period. Once this annual \$1.2 million deductible is met in any fiscal year, GMP will collect costs associated with Major Storms that occur during the term of the Plan in accordance with the methodology described in Section VII below. In the quarter following the qualifying storm, GMP will file a report documenting the invoiced costs associated with all Major Storm costs above the \$1.2 million annual deductible that occurred in that quarter. For example, invoices for a storm occurring in January that are received by March 31 would be reported 30 days from the end of the first quarter, and any invoices for this storm received after March 31 would be reported in the next quarter (July 1).

3. Major Storm Restoration Fund

This is a regulatory liability account through which the Company will collect funds from customers in a consistent and stable method over the life of the Plan, to be used to off-set costs as described in Section VII below. Specifically, the Company will collect a Major Storm Restoration Fund through a separate line item on the bill on a surcharge percentage basis, in a total amount of \$6 million annually from customers in all customer classes. GMP will accrue interest income/expense on the balance of the regulatory liability based on GMP’s credit facility interest rate. The amounts collected from customers through this mechanism will be recorded to the Major Storm Restoration Fund and used to offset costs as described in Section VII below.

C. Earnings Sharing Adjustor Mechanism

The Company's rates will be subject to an Earnings Sharing Adjustor for each rate period during the Plan term. No later than 60 days after the end of each fiscal year ("ESAM Measurement Period"), the Company shall file with the Commission and Department its Actual Earnings for the ESAM Measurement Period, the proposed Earnings Sharing Adjustor calculation, and supporting information. The Commission shall approve the proposed adjustment no later than 45 days prior to April 1 of the following year, so that the Earnings Sharing Adjustor amount can be reflected as a separate line item on customer bills for the ensuing 12 months, unless otherwise ordered by the Commission, commencing April 1 of each year ("ESAM Adjustment Period"). Actual Earnings will be calculated based on the same methodology as the earnings cap calculation reflected in the PUC's Order in Docket Nos. 6946/6988 (*i.e.*, exclude the Company's disallowed costs and results of unregulated operations (but business services shall be included in cost of service)). Actual Earnings shall include the earnings impact of the adjustments under this Plan. The Variance Amount (as defined below) shall be deferred and amortized over the ESAM Adjustment Period.

The Earnings Sharing Adjustor shall be calculated as follows:

1. *Calculation of Variance Amount:*
 - i. If Actual Earnings reflect an ROE that is within a range equal to 50 basis points below and 50 basis points above the Commission-approved ROE during the ESAM Measurement Period, there will be no Earnings Sharing Adjustor. This +/- 50 basis point band is the ESAM Efficiency Band.
 - ii. If Actual Earnings reflect an ROE that is 50 to 125 basis points above or 50 to 150 basis points below Commission-approved ROE, 75% of the revenue benefit of the higher earnings is returned to, or 50% of the revenue impact of the lower earnings is collected from, customers in the Earnings Sharing Adjustor. These +50 to +125 basis points and -50 to -150 basis points bands are the ESAM Sharing Bands.

- iii. If Actual Earnings reflect an ROE that is more than 125 basis points above or more than 150 basis points below the Commission-approved ROE, the entire revenue benefit or impact flows to customers in the Earnings Sharing Adjustor.

2. *Calculation and Collection of Earnings Sharing Adjustor*

- i. The Earnings Sharing Adjustor shall be a positive or negative fraction equal to:
 - a. the total dollar Variance Amount derived in Section VI(C)(1) above, divided by
 - b. projected revenues from Company charges during the Earnings Sharing Adjustor Adjustment Period, based on the Forecast Methodology.
- ii. The Earnings Sharing Adjustor fraction shall be applied to the revenue from each rate element for each rate class.
- iii. Over/under-collections of the Earnings Sharing Adjustor, due to a variance between projected and actual revenues, shall be deferred and included in the next base rate filing.

A sample calculation is attached as **Attachment 6**.

D. Residual Adjustments

The collection/return of all Adjustors under this Plan shall continue beyond the term of the Plan as allowed by this Plan or otherwise ordered by the Commission. Any over/under-collection for any Adjustor under this Plan remaining at the end of its term and not yet subject to a Commission order regarding its collection or return shall be deferred and addressed in a future regulation plan or rate filing.

VII. RECOVERY OF THE RETAIL REVENUE, POWER SUPPLY, AND MAJOR STORM ADJUSTORS

The recovery of the Retail Revenue, Power Supply, and Major Storm Adjustors will be in accordance with the following methodology:

- For each measurement quarter, the quarterly retail revenue and power supply variance amounts and the quarterly qualified major storm amount will be netted. This netted balance shall be referred to as the “Quarterly Net Adjustment.”
- If the Quarterly Net Adjustment for the current measurement quarter is in the opposite direction of the Quarterly Net Adjustment for the prior measurement quarter (*i.e.*, the current quarter nets to a return and the prior quarter netted to a collection), then the amounts of the two quarters will be netted against each other and the resulting amount will be carried forward (Cumulative Carry Forward) to the next quarter as a regulatory asset or liability.
- If the Quarterly Net Adjustment for the current measurement quarter is in the same direction as the Quarterly Net Adjustment from the prior measurement quarter and the prior quarter Cumulative Carry Forward is greater than +/- \$1M, then the prior quarter Cumulative Carry Forward will be collected /returned to customers, starting on the first day of the next quarter, over the subsequent 12 months unless otherwise requested or ordered by the Commission. If the prior quarter Cumulative Carry Forward is less than +/- \$1M it will net against the current measurement quarter Net Quarterly Adjustment and be carried forward to the next quarter.

This adjustment will be calculated such that the street lighting rate class continues to be excluded from any surcharge collections or returns associated with the Retail Revenue and Power Supply Adjustors.

An illustration of this methodology is as follows:

Scenario 1	Adjustor Qtrly Filing Date	Over / (Under) Collection		Net Quarterly Adjustment	Collection Trigger	Recovery Request		Recovery Period	Cumulative Carry Forward
		PSA and Revenue	Storm			Amount	Filing Date		
10/1/XX to 12/31/XX	Q1FYX1	30-Jan	1,000,000	1,000,000		-			2,000,000
1/1/X1 to 3/31/X1	Q2FYX1	30-Apr	(500,000)	-		-			1,500,000
4/1/X1 to 6/30/X1	Q3FYX1	30-Jul	1,000,000	-		-			2,500,000
7/1/X1 to 9/30/X1	Q4FYX1	30-Oct	1,000,000	1,250,000	Q4 Results	2,500,000	30-Oct	Jan 1 - Dec 31	2,250,000
10/1/X1 to 12/31/X1	Q1FYX2	30-Jan	750,000	1,000,000	Q1 Results	2,250,000	30-Jan	Apr 1 - Mar 31	1,750,000
1/1/X2 to 3/31/X2	Q2FYX2	30-Apr	(1,000,000)	(1,000,000)		-			750,000
4/1/X2 to 6/30/X2	Q3FYX2	30-Jul	(400,000)	(400,000)	Q3 Results	Collection Carried forward < \$1M			350,000
7/1/X2 to 9/30/X2	Q4FYX2	30-Oct	1,000,000	1,000,000					1,350,000

For the purposes of performing the assessment described above, the Q1FY23 (first quarter under this Plan) Net Quarterly Adjustment will be compared to the Q4FY22 (last quarter under the prior Plan) Net Quarterly Adjustment. Also, any Cumulative Carry Forward at the end of Q4FY22 will be carried forward to Q1FY23.

Within 30 days of the end of each quarter, GMP will file a report summarizing the results of the quarter along with the net amount to be returned to or collected from customers, if any, under the provisions of this Section. GMP will also file a proposed line-item charge for that amount based on a percentage of retail revenue to collect or return this amount over a 12-month period on a bills-rendered basis beginning the first day of the next quarter (i.e., the second quarter after the triggering event quarter), unless otherwise requested or ordered by the Commission. This filing is subject to DPS review and PUC approval.

For accounting purposes, these quarterly variance amounts shall be deferred and amortized in the Return/Collection Period in an amount equal to the revenue increases or decreases that recover or repay the amortized amount.

GMP will include a roll-forward (Fund Beginning Balance, Fund Additions, Fund Uses, Interest Accrued, and Fund Ending Balance) of the Major Storm Restoration Fund and any proposal by GMP to utilize this account to mitigate the impact and volatility of major storm costs, other adjustors or costs as approved by the Commission, in the quarterly Revenue, Power Supply and Major Storm Adjustor report. The proposal for use of the Major Storm Restoration Fund will be subject to DPS review and PUC approval.

At the end of the Plan, any net deferred balances not yet approved for collection/return to customers will be handled consistent with Section VI(D) Residual Adjustments.

VIII. INNOVATION AND PERFORMANCE METRICS AND OTHER PLAN COMPONENTS

A. Plan Support of Vermont Energy Goals and Customer Service Offerings

The Plan is designed to support the Company's continued efforts toward Vermont's statewide energy goals by advancing promising technologies (e.g., electric vehicles, heat pumps, energy storage, renewable power, etc.) and by exploring new services to facilitate efficient, low-carbon energy choices made by electric customers consistent with least cost principles.

The Company will also continue to work with the Department to explore and implement additional innovative service choices and offerings, such as on-bill payments to support decarbonization, load control programs and support, and smart home energy devices in an ever-changing landscape.

B. Innovative Pilot Program

The Innovative Pilot provision of the prior regulation plan continues through this Plan with minor updates, as outlined in **Attachment 2**. New Innovative Pilots developed during the term of the Plan that are not already included in base rates shall not result in any plant additions that cause rate adjustments under this Plan, except insofar as they are specifically requested to be included in base rates under the New Initiative Tariff Offerings provision in Section IV(A)(1)(iv). Any changes to revenue or power supply cost that result from New Initiative programs will be included in adjustments made pursuant to the Retail Revenue Adjustor or the Power Supply Adjustor.

C. Service Quality

The Company's Service Quality & Reliability Performance Monitoring and Reporting Plan ("SQRP"), as it may be amended from time to time, is hereby incorporated into and made a part of this Plan.

D. Innovation & Performance Metrics

The Company shall measure and annually report on the Innovation and Performance Metrics identified in **Attachment 7**. These metrics shall be measured on a fiscal year basis except where otherwise indicated on the attachment and will be provided for purposes of tracking only. There will be no penalties or incentives associated with tracking these metrics during the term of the Plan. An annual report on these metrics shall be filed by January 30 for the preceding fiscal year period, along with a brief narrative evaluation of the effectiveness of the Plan's performance in achieving the goals of 30 V.S.A. § 218d.

E. Low Income

The Company shall match contributions by its customers to the Company's Warmth Program, and the amount of the Company's match shall not be included in rates. In addition, The Company will contribute 5% of any excess earned utility net income above the allowed utility net income to its low-income customer support programs, after consultation with the Department of Public Service and its Consumer Affairs division.

IX. LIMITATIONS ON OTHER RATE CHANGES

No general rate adjustment, other than as allowed and described herein will be implemented between October 1, 2022 and September 30, 2026, except that the Company may seek temporary rate increases pursuant to 30 V.S.A. § 226(a), and the Company may file modified or new tariffs for services and adjustments other than for base rates subject to Commission approval pursuant to 30 V.S.A. §§ 218f, 225, 226, 227, or any other statutory provision.

X. MISCELLANEOUS

A. During the term of the Plan, the application of Title 30 including 30 V.S.A. §§ 218(a), 225, 226, 227, and 229 to GMP shall be modified by the provisions of the Plan and the Commission order approving the Plan.

- B. The Company shall continue to file concurrently with each Adjustor filing the type of documentation it has previously filed under prior regulation plans with respect to each type of filing.
- C. The Company shall describe the Plan in a separate mailing at least one month prior to the first-rate adjustment under the Plan and shall work with the Department in the development of customer communications and materials to be provided to customers. The Company will also hold twice yearly meetings with customers, one in its northern service territory and one in its southern service territory if in person, to answer questions and review its performance under the Plan, including a discussion of the innovation and performance metrics tracked under the Plan.
- D. Nothing in the Plan will be interpreted as preventing the Department from requesting a Commission investigation into the Company's rates or the Commission from undertaking such an investigation. The retroactive effect of any such investigation shall be consistent with 30 V.S.A. § 227(b).
- E. The Company shall have the option to petition for an extension of the Plan for up to one year beginning October 1, 2026, subject to prior discussion and review by the Department and approval of the Commission. No later than January 31, 2025, the Company shall file with the Commission and Department any request for Plan extension, along with a proposal regarding how the Plan's terms will apply to set base rates during the period of extension.
- F. The Company shall file for any successor regulation plan twelve months prior to its proposed effective date (anticipated to be September 1, 2025 or, if a one-year Plan extension is granted, September 1, 2026).

GREEN MOUNTAIN POWER
 MULTI-YEAR REGULATION PLAN
 Attachment 1(a) Summary of COS Treatment

COST OF SERVICE	Method to Establish FY 2023	Method to Establish FY 2024, FY 2025, and FY 2026	Relevant Adjustor, not including ESAM	Power/Non Power Costs
Operating Expenses:				
Purchased Power, Net	Known and Measurable adjustments to FY 2021 Test Year	Reforecast Annually	Power Adjustor	Power Cost
Production	Known and Measurable adjustments to FY 2021 Test Year	Reforecast Annually	Power Adjustor	Power Cost
Transmission	Known and Measurable adjustments to FY 2021 Test Year	Reforecast Annually	Power Adjustor	Power Cost
Other Power Supply *	Known and Measurable adjustments to FY 2021 Test Year	See Attachment 1(c) for Breakout of Inflation Index Adjusted, Fixed and Reforecast Components		Non-Power Cost
Transmission - Other *				
Distribution *				
Customer Accounting *				
Customer Service and Information *				
Sales *				
Administrative and General *				
Plant Depreciation	Known and Measurable adjustments to FY 2021 Test Year	Fixed for term of plan based on 3-year forecast. Forecast can be adjusted to reflect any additional allowed capital expenditures approved by the PUC		Non-Power Cost
Regulatory Amortizations	Known and Measurable adjustments to FY 2021 Test Year	Except for approved smoothing adjustments, fixed for term of plan based on 3-year forecast		Non-Power Cost
Taxes - Federal and State	Known and Measurable adjustments to FY 2021 Test Year	Formulaic calculation based on annual reforecast		Non-Power Cost
- Municipal	Known and Measurable adjustments to FY 2021 Test Year	Fixed for term of plan based on 3-year forecast. Forecast can be adjusted to reflect any additional allowed capital expenditures approved by the PUC		Non-Power Cost
- Other, excluding Revenue Taxes	Known and Measurable adjustments to FY 2021 Test Year	Fixed for term of plan based on 3-year forecast		Non-Power Cost
Accretion Expense	Known and Measurable adjustments to FY 2021 Test Year	Fixed for term of plan based on 3-year forecast		Non-Power Cost
Capital Costs	Known and Measurable adjustments to FY 2021 Test Year	Fixed for term of plan based on 3-year forecast		Non-Power Cost
Return on Utility Rate Base	Known and Measurable adjustments to FY 2021 Test Year	Cost of Debt % fixed for term of plan based on 3-year forecast; Cost of Equity % is formulaic annual adjustment based on index; See Attachment 3		Non-Power Cost
Credits:				
Transco Equity in Earnings of Affiliates	Known and Measurable adjustments to FY 2021 Test Year	Reforecast Annually		Non-Power Cost
Equity in Earnings of Affiliates Other than Transco	Known and Measurable adjustments to FY 2021 Test Year	Fixed for term of plan based on 3-year forecast		Non-Power Cost
Other Operating Revenues	Known and Measurable adjustments to FY 2021 Test Year	Fixed for term of plan based on 3-year forecast. Forecast can be adjusted to reflect any additional allowed capital expenditures approved by the PUC		Non-Power Cost
Business Development, Net	Known and Measurable adjustments to FY 2021 Test Year	Fixed for term of plan based on 3-year forecast		Non-Power Cost
Gross Revenue & Fuel Gross Receipts Taxes	Formulaic calculation based on cost of service	Formulaic calculation based on annual reforecast		Non-Power Cost
Revenue from Ultimate Consumers	Forecasted	Reforecast Annually	Retail Revenue Adjustor	Non-Power Cost
Initial Rate Smoothing Mechanism	Fixed for term of plan based on 4-year forecast			Non-Power Cost

* Formally part of the Platform.

GREEN MOUNTAIN POWER
MULTI-YEAR REGULATION PLAN
Attachment 1(b) Summary of Rate Base Treatment

RATE BASE	Method to Establish FY 2023	Method to Establish FY 2024, FY 2025, and FY 2026
Utility Plant in Service	Known and Measurable adjustments to FY 2021 Test Year	Fixed for term of plan based on 3-year forecast. Balance can be adjusted to reflect any additional allowed capital expenditures approved by the PUC
Community Energy & Efficiency Development Fund	Known and Measurable adjustments to FY 2021 Test Year	Fixed for term of Plan based on 3-year forecast
Construction Work in Progress	CWIP Balance based on FY 2021 Test Year	Fixed for term of plan based on 3-year forecast. Balance can be adjusted to reflect any additional allowed capital expenditures approved by the PUC
Investment in Affiliates:		
Generation Vermont Yankee	Known and Measurable adjustments to FY 2021 Test Year	Fixed for term of Plan based on 3-year forecast
Generation Maine Yankee	Known and Measurable adjustments to FY 2021 Test Year	Fixed for term of Plan based on 3-year forecast
Generation Connecticut Yankee	Known and Measurable adjustments to FY 2021 Test Year	Fixed for term of Plan based on 3-year forecast
Generation Yankee Atomic	Known and Measurable adjustments to FY 2021 Test Year	Fixed for term of Plan based on 3-year forecast
Green Lantern	Known and Measurable adjustments to FY 2021 Test Year	Fixed for term of Plan based on 3-year forecast
Transmission NE Hydro Trans	Known and Measurable adjustments to FY 2021 Test Year	Fixed for term of Plan based on 3-year forecast
Transmission NE Hydro Trans Electric	Known and Measurable adjustments to FY 2021 Test Year	Fixed for term of Plan based on 3-year forecast
Transmission VELCO - Common	Known and Measurable adjustments to FY 2021 Test Year	Fixed for term of Plan based on 3-year forecast
JV Solar - Battery	Known and Measurable adjustments to FY 2021 Test Year	Fixed for term of Plan based on 3-year forecast
Transmission TRANSCO LLC	Known and Measurable adjustments to FY 2021 Test Year	Reforecast Annually
Special Deposits	Known and Measurable adjustments to FY 2021 Test Year	Fixed for term of Plan based on 3-year forecast
Unamortized Debt Discount and Expense	Known and Measurable adjustments to FY 2021 Test Year	Fixed for term of Plan based on 3-year forecast
Regulatory Assets	Known and Measurable adjustments to FY 2021 Test Year	Except for approved smoothing adjustments, fixed for term of Plan based on 3-year forecast
Tax FAS 109	Known and Measurable adjustments to FY 2021 Test Year	Fixed for term of Plan based on 3-year forecast
Working Capital Allowance:		
Material and Supplies Inventory including Fuel	Known and Measurable adjustments to FY 2021 Test Year	Fixed for term of Plan based on 3-year forecast
Millstone III Nuclear Fuel Inventory (Net)	Known and Measurable adjustments to FY 2021 Test Year	Fixed for term of Plan based on 3-year forecast
Prepayments	Known and Measurable adjustments to FY 2021 Test Year	Fixed for term of Plan based on 3-year forecast
Lead -Lag Working Capital Allowance	Formulaic annual calculation based on other COS components	Fixed for term of Plan based on 3-year forecast
DEDUCTIONS:		
Accumulated Depreciation	Known and Measurable adjustments to FY 2021 Test Year	Fixed for term of plan based on 3-year forecast. Balance can be adjusted to reflect any additional allowed capital expenditures approved by the PUC
Customer Advances for Construction	Known and Measurable adjustments to FY 2021 Test Year	Fixed for term of Plan based on 3-year forecast
Deferred Credits		
Accumulated Deferred Income Taxes and Tax Reform Regulatory Liability	Known and Measurable adjustments to FY 2021 Test Year	Reforecast Annually
Accumulated Deferred Investment Tax Credits	Known and Measurable adjustments to FY 2021 Test Year	Fixed for term of Plan based on 3-year forecast
Regulatory Liabilities	Known and Measurable adjustments to FY 2021 Test Year	Except for approved smoothing adjustments, fixed for term of Plan based on 3-year forecast
Deferred Comp	Known and Measurable adjustments to FY 2021 Test Year	Fixed for term of Plan based on 3-year forecast
SERP	Known and Measurable adjustments to FY 2021 Test Year	Fixed for term of Plan based on 3-year forecast
Accrued Pension Expense	Known and Measurable adjustments to FY 2021 Test Year	Reforecast Annually
Acc. Post-Ret. Medical Expense FAS 106	Known and Measurable adjustments to FY 2021 Test Year	Reforecast Annually
Acc. Other Post-Employment Ben. Exp. FAS 112	Known and Measurable adjustments to FY 2021 Test Year	Fixed for term of Plan based on 3-year forecast

GREEN MOUNTAIN POWER
 MULTI-YEAR REGULATION PLAN
 Attachment 1(c) Summary of O&M Cost Treatment

COST OF SERVICE - O&M

Method to Establish FY 2023	O&M Category	Fixed/Reforecast ⁽¹⁾	Method to Establish		
			FY 2024	FY 2025	FY 2026
Known and Measurable adjustments to FY 2021 Test Year	Other Power Supply - Excluding Items Listed Below	Inflation Index Adjusted	FY 2023 Adjusted for inflation (CPI-NE) ⁽²⁾		
	Payroll, including over-time	Fixed	FY 2023 Rate Case		
	Transmission – Other - Excluding Items Listed Below		FY 2023 Adjusted for inflation (CPI-NE) ⁽²⁾		
	Payroll, including over-time	Fixed	FY 2023 Rate Case		
	Tree Trimming (includes EAB)	Reforecast	Forecast based on GMP’s Tree Trimming Plan		
	Distribution - Excluding Items Listed Below	Inflation Index Adjusted	FY 2023 Adjusted for inflation (CPI-NE) ⁽²⁾		
	Payroll, including over-time	Fixed	FY 2023 Rate Case		
	Tree Trimming (Includes EAB)	Reforecast	Forecast based on GMP’s Tree Trimming Plan		
	Customer Accounting - Excluding Items Listed Below	Inflation Index Adjusted	FY 2023 Adjusted for inflation (CPI-NE) ⁽²⁾		
	Payroll, including over-time	Fixed	FY 2023 Rate Case		
	Uncollectable Expense	Reforecast	FY 2023 Adjusted for annual rate change and an AR Aging adjustment if applicable		
	Customer Service and Information - Excluding Items Listed Below	Inflation Index Adjusted	FY 2023 Adjusted for inflation (CPI-NE) ⁽²⁾		
	Payroll, including over-time	Fixed	FY 2023 Rate Case		
	Sales - Excluding Items Listed Below	Inflation Index Adjusted	FY 2023 Adjusted for inflation (CPI-NE) ⁽²⁾		
	Payroll, including over-time	Fixed	FY 2023 Rate Case		
	Administration and General - Excluding Items Listed Below	Inflation Index Adjusted	FY 2023 Adjusted for inflation (CPI-NE) ⁽²⁾		
	Payroll, Over-time, and 401(k) Match	Fixed	FY 2023 Rate Case		
	A&G Capitalized	Fixed	Based on GMP forecast		
	Pension	Reforecast	Based on annual forecasts prepared by GMP’s Actuaries. Settlement accounting entry if applicable – deferred		
	Active Medical	Reforecast	Based on annual projection prepared by GMP consultant		
Post-Retirement	Reforecast	Based on annual projection prepared by GMP consultant			
Insurance Premiums	Reforecast	Based on Insurance Broker indication of premium change			

¹ Fixed categories are locked year-over-year based on forecasts (following any specified adjustments from FY 23)

Reforecast categories are adjusted during each annual base rate filing based on the specified forecast methodology

^{1,2} Inflation Index Adjusted categories are adjusted during each annual base rate filing based on the actual change in the CPI-NE for the twelve months ending March 31 of each year. For example, the inflation adjustment for Fiscal Year 2024 will be the change in CPI-NE for the twelve months ending March 31, 2023.

GMP – Non-Tariffed Innovative Pilot Program

Eligibility:

The Non-Tariffed Innovative Pilot Program shall be available for pilot programs involving products or services, beyond the sale of basic electric service, that provide shared access to Green Mountain Power (“GMP”), and advance the goals of Vermont’s state energy policy, including the Renewable Energy Standard, or are otherwise designed to enable such programs in the future or to improve equity of access to renewable and clean energy programs for low- and moderate-income communities (“Innovative Pilots”).

Proposal:

New Innovative Pilots

GMP shall file 15 days’ advance notice with the Department of Public Service (“Department”) and the Public Utility Commission (“Commission”), with a copy to Efficiency Vermont, before commencing pilot programs to provide the products or services referenced above. The notice shall include a narrative explanation of the Innovative Pilot and how it is consistent with the eligibility requirements, the number of customers it will be made available to and how those eligible customers were selected, expected costs and revenues, why the proposal does not conflict with work performed by Efficiency Vermont, a certification that GMP has collaborated with Efficiency Vermont regarding the proposal in advance of the filing, and the frequency by which GMP shall provide status reports to the Commission and Department on the Innovative Pilot’s progress. GMP will include Renewable Energy Vermont (“REV”) in the notice, collaboration, and reporting provisions with the Department of Public Service, the Public Utility Commission, and Efficiency Vermont on these pilots and any follow-on tariffs. GMP and REV will make its best efforts and collaborate in good faith on these pilots and any follow-on tariffs.

Term

All Innovative Pilots shall be limited to a term of eighteen months.

Data Collection and Reporting

GMP will track all costs and revenues, broken out by expense or revenue category, associated with all Innovative Pilots.

GMP will also collect data and provide reports to the Commission, Department and REV, as detailed in GMP’s “Data Collection and Reporting Plan” attached to this proposal.

Amendments to Terms and Conditions of Innovative Pilots

GMP shall file 7 days’ advance notice of changes to Innovative Pilots’ pricing, terms, or conditions with the Department, Efficiency Vermont, REV, and the Commission. GMP shall also provide written notice of all such changes to affected participating customers.

On-Going Review of Innovative Pilots

Any Annual Rate Base filing during the term of the Multi-Year Regulation Plan in which GMP seeks to reflect the costs and revenues of Innovative Pilots developed under this Plan that are not already included in rates at the start of the Plan shall include a schedule setting forth the costs and revenues of all

Innovative Pilots offered as well as known and measurable information supporting the addition to rate base and shall be subject to Department review and Commission approval.

Comparable Third-Party Offerings

For any new GMP tariff or pilot program that focuses on an available consumer product, GMP will offer a comparable, parallel Third-Party pilot or tariff, either separately or within the same pilot or tariff, where feasible. The Third-Party program may require connection to GMP's Distributed Energy Resource platform to ensure inter-operability with utility grid management requirements, and may include an option for customers to elect to pay for these Third-Party offerings through appropriate charges on their GMP bill.

Green Mountain Power Innovative Pilots Data Collection and Reporting Plan

The following is Green Mountain Power's ("GMP") Data Collection and Reporting Plan for its Innovative Pilot projects.

Innovative Pilots are offered under the provisions of GMP's Multi-Year Regulation Plan ("MYRP"), as outlined in GMP's Non-Tariffed Innovative Pilot Program ("Innovative Pilot Program") (Attachment 2 of the MYRP). In order to assess whether an Innovative Pilot should be advanced into a mature program, GMP will collect data and report to the Department of Public Service ("DPS" or "Department"), Renewable Energy Vermont ("REV") and the Public Utility Commission ("Commission") as provided in this Data Collection and Reporting Plan.

I. Commencement of Innovative Pilot

As provided in the Innovative Pilot Program, GMP will file 15 days' advance notice with the Department of Public Service ("Department") and the Public Utility Commission ("Commission"), with a copy to Efficiency Vermont and REV, before commencing an Innovative Pilot. The notice shall include a narrative explanation of the Innovative Pilot, and explain how the Pilot is consistent with the eligibility requirements in Attachment 2, the number of customers to whom it will be made available, how those eligible customers were selected, expected costs and revenues, why the proposal does not conflict with work performed by Efficiency Vermont, a certification that GMP has collaborated with Efficiency Vermont regarding the proposal in advance of the filing, and the frequency by which GMP shall provide status reports to the Commission and Department on the Innovative Pilot's progress.

II. Status Reports

GMP shall file with the Commission, copying the Department and REV, reports of the status of the Pilot. The reports shall be submitted thirty days after each six-month interval except for the final report, which is detailed below. The reports shall provide the following information:

- i. Brief description of the Innovative Pilot.
- ii. Customer participation in the Innovative Pilot including the number of products or units, number of customers enrolled, and the distribution of the product by county/town.
- iii. Financial information regarding the costs and revenues where applicable (equipment revenue, additional kWh margin, O&M maintenance, O&M service, depreciation, return on rate base, and net gain or loss).
- iv. Load control device saturation information, where applicable, including whether the product is controlled by GMP for peak shaving purposes, and if so, the number of units controlled, the control device, the response rate, and capacity available in kilowatts.
- v. Narrative explanation of how the Innovative Pilot is advancing the goals of the Innovative Pilot program outlined in the eligibility requirements in Attachment 2.
- vi. Next steps.

III. Customer Satisfaction Measurement

In addition to regular customer contact, after the Innovative Pilot has been in operation for one year, GMP shall measure participating customers' satisfaction with the Pilot. The survey should include an assessment of whether the customers' needs/goals were met by the product or service provided in the Pilot. GMP shall work with the Department on appropriate measurements for each Pilot.

IV. Final Report

Sixty days after the end of the eighteen-month pilot, GMP shall file with the Commission, copying the Department and REV, a final report on the Pilot. The report shall include the following information, an example of which is attached to this Data Collection and Reporting Plan:

- i. Brief description of the Innovative Pilot.
- ii. Customer participation in the Innovative Pilot including the number of products or units, number of customers enrolled, and the distribution of the product by county/ town.
- iii. Financial information regarding the costs and revenues where applicable (equipment revenue, additional kWh margin, O&M maintenance, O&M service, depreciation, return on rate base, and net gain or loss).
- iv. Load control device saturation information, where applicable, including whether the product is controlled by GMP for peak shaving purposes and if so, the number of units controlled, the control device, the response rate, and capacity available in kilowatts.
- v. Narrative explanation of how the Innovative Pilot advanced the goals of the Innovative Pilot program.
- vi. Assessment of customer satisfaction.
- vii. Lessons learned during the Innovative Pilot.
- viii. Whether the Innovative Pilot will be advanced to a tariff-based offering, and if so, why.
- ix. If the Innovative Pilot will not be advanced to a tariff-based offering, the reasons why not.



Date

Ms. Holly Anderson, Clerk
VERMONT PUBLIC UTILITY COMMISSION
Peoples United Bank Building, 4th Floor 112 State Street
Montpelier, VT 05620-2701

Re: Innovative Pilot [**INSERT NAME OF PILOT**]
Final Report

Dear Ms. Anderson:

Green Mountain Power (“GMP”) provides this Final Report (“Report”) pursuant to its Innovative Pilot Program (Attachment 2 of GMP’s Multi-Year Regulation Plan). This Report covers the period from the commencement of the Pilot on [**INSERT DATE**] to the completion of the Pilot on [**INSERT DATE**].

Brief Description of [INSERT NAME OF PILOT**]**

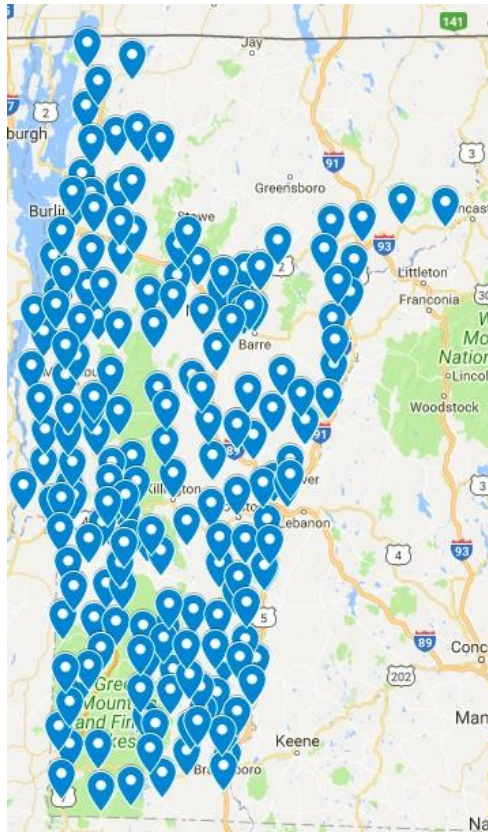
[**NARRATIVE**]

Participation in Pilot

[**NARRATIVE EXPLANATION - include the number of products or units, number of customers enrolled, and the distribution of the product by county/town**]

Below is a map illustrating the distribution of the GMP [**INSERT NAME OF PRODUCT**] in customer homes throughout our territory:

[**INSERT MAP (sample below)**]



Final Pilot Financials

[NARRATIVE EXPLANATION OF FINANCIALS AND INCLUDE FINANCIAL CHART – sample below]

PILOT NAME	CY __ Actuals
Cumulative Installs	
CY __ Installs	
Equip Revenue	\$
Add'l kWh Margin	\$
O&M Maintenance	\$
O&M Service	\$
Depreciation	\$
Return on Rate Base	\$
Other	\$
Net Gain/Loss	\$

Load Control Device Saturation

[NARRATIVE EXPLANATION – sample graphic below]

Sample: Device Controlled	Systems Installed	Systems Controlled	Response Rate	Capacity Available
Tesla Powerwalls	12	12	99%	120kW/324kWh

The [INSERT NAME OF PILOT] Pilot Advances the Goals of the Innovative Pilot Program

[NARRATIVE EXPLANATION]

Assessment of Customer Satisfaction

[NARRATIVE EXPLANATION OF RESULTS OF CUSTOMER SATISFACTION SURVEY INCLUDING ASSESSMENT OF WHETHER THE CUSTOMERS’ NEEDS/GOALS WERE MET BY THE PILOT]

Lessons Learned

[NARRATIVE EXPLANATION OF LESSONS LEARNED]

The Pilot Will/Will Not Be Advanced to A Tariff-based Offering

[NARRATIVE EXPLANATION OF WHETHER PILOT WILL BE ADVANCED TO TARIFF-BASED OFFERING AND WHY OR WHY NOT]

Conclusion

cc: Service List

Annual ROE Indexing Methodology

Except for the first year of the Plan, GMP's allowed Return on Equity ("ROE") shall be indexed using the following equation:

$$ROE_t = ROE_{t-1} + [0.50 \times (10B_t - 10B_{t-1})]$$

In this formula, 50% of the change in the 10-yr Treasury bond yield will determine the adjustment to the ROE (specified as ROE_t) from its starting ROE (specified as ROE_{t-1}). The ROE for the first year of the Plan will be set as specified in the Plan. The annual update adjustment will take place on May 15th of each year of the Plan. The bond yield at time "t", will be determined by taking the daily average of the 3 calendar months prior to and including the adjustment date, i.e. February 16th to May 15th, reported by the U.S. Department of the Treasury, Daily Treasury Yield Curve Rates, found at <https://www.treasury.gov/resource-center/data-chart-center/interest-rates/Pages/TextView.aspx?data=yieldYear&year=2019>. For each subsequent year of the Plan, the starting bond yield ("t-1") will reflect the prior year's daily average from the May 15th update, such that the ROE adjustment takes place at the beginning of each fiscal year and is keyed to year-to-year changes in average yields based on the May 15th 3-month daily averages.

Summary of GMP Power Supply Expenses

	Additional description	Proposed PSA Component	FERC Account Number	Rationale
Jointly Owned Units - Non-fuel O&M				
Operation – Supervision & Eng	Steam	A	500	Little/no GMP control
Steam Expense	Steam	A	502	" "
Steam From Other Sources	Steam	A	503	" "
Steam Transfer Credit	Steam	A	504	" "
Electric Expenses	Steam	A	505	" "
Misc Steam Expenses	Steam	A	506	" "
Rents	Steam	A	507	" "
Allowances	Steam	A	509	" "
Maintenance Supervision & Eng	Steam	A	510	" "
Maintenance of Structures	Steam	A	511	" "
Maintenance of Boiler Plant	Steam	A	512	" "
Maintenance of Electric Plant	Steam	A	513	" "
Maintenance of Misc Steam Plant	Steam	A	514	" "
Maintenance of Steam Production Plant Non-Major	Steam	A	515	" "
Operation – Supervision & Eng	Nuclear	A	517	" "
Fuel	Nuclear	B	518	" "
Coolants and Water	Nuclear	A	519	" "
Misc Nuclear Power Expense	Nuclear	A	520	" "
Steam from Other Sources	Nuclear	A	521	" "
Steam Transferred-Cr	Nuclear	A	522	" "
Electric Expenses	Nuclear	A	523	" "
Misc Nuclear Power Expenses	Nuclear	A	524	" "
Rents	Nuclear	A	525	" "
Maintenance Supervision & Eng	Nuclear	A	528	" "
Maintenance of Reactor Plant Eq	Nuclear	A	529	" "
Maintenance of Electric Plant	Nuclear	A	530	" "
Maintenance of Misc Steam Plant	Nuclear	A	531	" "
Maintenance of Misc Nuclear Plant	Nuclear	A	532	" "
Operation – Supervision & Eng	Other	A	546	" "
Generation Expense	Other	A	548	" "
Misc	Other	A	549	" "
Rents	Other	A	550	" "
Maintenance of Supervision & Eng	Other	A	551	" "
Maintenance of Structures	Other	A	552	" "
Maintenance of Misc	Other	A	553-554	" "

	Additional description	Proposed PSA Component	FERC Account Number	Rationale
GMP Owned Units - Non-fuel O&M				
Operation – Supervision & Eng	Hydro	B	535	Under GMP control
Water of Power	Hydro	B	536	" "
Hydraulic Expenses	Hydro	B	537	" "
Electric Expenses	Hydro	B	538	" "
Misc Hydraulic power gen expense	Hydro	B	539	" "
Rents	Hydro	B	540	" "
Maintenance Supervision & Eng	Hydro	B	541	" "
Maintenance of Structures	Hydro	B	542	" "
Maintenance of Reservoirs, Dams, etc	Hydro	B	543	" "
Maintenance of Electric Plant	Hydro	B	544	" "
Maintenance of Misc Hydraulic plant	Hydro	B	545	" "
Operation – Supervision & Eng	Other	B	546	" "
Fuel	Other	B	547	" "
Generation Expense	Other	B	548	" "
Misc	Other	B	549	" "
Rents	Other	B	550	" "
Maintenance of Supervision & Eng	Other	B	551	" "
Maintenance of Structures	Other	B	552	" "
Maintenance of Misc	Other	B	553-554	" "
Purchased Transmission and related	FERC Account 565. Primarily ISO-NE and VELCO costs. Smaller fractions of Phase 1/2 support costs, NEPCO, NYPA.	A	565	Little/no GMP control, likely volatility.
ISO-NE OATT, Market Services				
Transmission by Others	VELCO VTA, Regional Network Service (NOATT 1 and 9), Phase I/II support costs, National Grid (OATT, G-33, Ashuelot), SPEED, VEC, etc	A	565	Little/no GMP control
Schedule 2 VAR Charges/Credits	Reactive power and voltage support	A	561.4	Little/no GMP control
Schedule 16 Black Start Credits/Charges	System restoration payments to GMP for its units with black start capability	A	561.8	" "
ISO Sched 1 RNS	Scheduling, system control & dispatch for RNS load	A	561.4	" "
ISO Sched 1 Through & Out	Scheduling, system control & dispatch for Through or Out load	A	561.4	" "
ISO Sched 2	Administrative charges for energy market administration	A	575.7	" "
ISO Sched 3	Reliability market administration	A	561.8/575.7	" "

	Additional description	Proposed PSA Component	FERC Account Number	Rationale
ISO Sched 4	Allocated FERC charges	A	575.7	" "
ISO Sched 5	NESCOE Charge	A	575.7	" "
Interest and Late Fees		A	565	Booked as Energy charge
NEPOOL Expenses	attorney fees for NEPOOL activities	A	565	
Rents Trans		A	567	Little/no GMP control
GMP Owned Units - Fuel	Includes hydro units, peaking units and Searsburg	B	547	All energy costs in B
Jointly Owned Units - Fuel	Includes Wyman 4, Stony Brook, McNeil, Millstone	B	501/518/547	" "
Power Transaction related accounts				
Existing Long-term Contracts - Energy Charges	Energy in A, Capacity in B	B	555	All energy costs in B
Existing Long-term Contracts - Capacity Charges	Energy in A, Capacity in B	A	555	Changes fundamentally not under GMP control.
Existing Long-term Sales for Resale - Energy Revenues	Energy in A, Capacity in B	B	447	All energy costs in B.
Existing Long-term Sales for Resale - Capacity Revenues	Energy in A, Capacity in B	A	447	Changes fundamentally not under GMP control.
Future bilateral purchases & sales of Energy - Energy Charges	Energy in A, Capacity in B	B	555, 447	All energy costs in B.
Future bilateral purchases & sales of Energy - Capacity Charges	Energy in A, Capacity in B	A	555, 447	
Future bilateral purchases & sales of capacity	Energy in A, Capacity in B	A	555, 447	
Financial Hedging Instruments (for energy costs)		B	555	Used to hedge energy costs
REC sale revenues (or purchase costs)	Renewable energy credits	B	447	All energy costs in B
RES compliance costs	Renewable energy standard	B	555	
ISO Market Settlement Accounts				
Day Ahead Energy	Includes cost of GMP load obligation & revenue from all GMP resources	B	555	Energy Component Only - All Energy in B
Real Time Energy	Includes cost of GMP load obligation & revenue from all GMP resources	B	555	Energy Component Only - All Energy in B
Energy losses	The loss component of LMP costs to serve GMP load & LMP revenues from GMP resources.	A	555	Marginal Loss Component - Little/no GMP control
Congestion	The congestion component of LMP costs to serve GMP load & LMP revenues from GMP resources	B	555	Can be partially hedged
Emergency Purchases	Made by ISO-NE	A	555	

	Additional description	Proposed PSA Component	FERC Account Number	Rationale
Emergency Sales	Made by ISO-NE	A	447	
ICAP/FCM Capacity (charges and credits)		A	555	
Reliability Must Run ("RMR") charges		A	555	
Load response	ISO-NE load response program	A	555	
Regulation		A	555	
DA NCPC Charges	Operating reserves	A	555, 447	Little/no GMP control
DA NCPC Credits	Operating reserves	B	555	Matches costs when GMP units or joint-owned units are run for reliability and fuel expense appears as Component B. Non-GMP unit or joint-owned unit NCPC charges/credits will remain in Component A.
RT NCPC Charges	Operating reserves	A	555, 447	Little/no GMP control
RT NCPC Credits	Operating reserves	B	555	Matches costs when GMP units or joint-owned units are run for reliability and fuel expense appears as Component B. Non-GMP unit or joint-owned unit NCPC charges/credits will remain in Component A.
Forward Reserve Credits/Charges	Operating reserves	A	555	
Synchronous Condenser credits/charges	Operating reserves	A	555	
Cancelled Starts	Operating reserves	A	555	
OR Resources available in DA not dispatched in RT	Operating reserves	A	555	
DA NCPC credits for dispatchable load pumps	Operating reserves	A	555	
RT NCPC credits for dispatchable load pumps	Operating reserves	A	555	
NCPC credits for resources postured for reliability	Operating reserves	B	555, 447	Matches costs when GMP units or joint-owned units are run for reliability and fuel expense appears as Component B. Non-GMP unit or joint-owned unit NCPC charges/credits will remain in Component A.
Special Constraint Resource charges/credits	Operating reserves	B	555, 447	Matches costs when GMP units or joint-owned units are run for reliability and fuel expense appears as Component B. Non-GMP unit or joint-owned unit NCPC charges/credits will remain in Component A.

	Additional description	Proposed PSA Component	FERC Account Number	Rationale
				A.
FTR/ARR				
LT On Peak ARR Credit	Revenues From FTR Auctions	A	555	Little/no GMP control
Monthly On Peak ARR Credit	Revenues From FTR Auctions	A	555	" "
LT Off Peak ARR Credit	Revenues From FTR Auctions	A	555	" "
Monthly Off Peak ARR Credit	Revenues From FTR Auctions	A	555	" "
FTR Auction Credits/Charges	Cost of FTR's in auction	B	555	Used to hedge congestion costs
Monthly FTR Congestion Credits/Charges	monthly congestion revenue paid to FTR holders	B	555	" "
Negative Congestion Adjustment	Charge if FTR congestion revenue is negative	A	555	Little/no GMP control
Annual FTR Adjustments	Disbursement of Excess FTR congestion revenue	B	555	only paid to FTR holders
NEPOOL GIS Fees	GIS transaction fees, and GMP share of NEPOOL GIS overhead costs.	A	555	

Excluded from the Power Adjustor:

Transmission for Others (this is mostly subtransmission service for VT utilities)

Quarterly Illustration of Retail Revenue Adjustor and Power Supply Adjustor

Assumptions used in the illustration below:

- 1.) Actual retail sales are lower than forecast by 10,000 MWh, and \$1.4 million.
- 2.) GMP therefore avoids purchasing that 10,000 MWh on spot market at an average of \$30/MWh. The net of other Component B costs & revenues is assumed equal to benchmark levels.
- 3.) Actual Component A costs come in \$3 million lower than the benchmark.
- 5.) GF remains part of retail sales through FY26, at PPA rate as set forth in PUC Petition, not including separate fixed transition payments booked separately.
- 4.) Benchmark values used below are illustrative only.

Step 1: Raw Variances in Revenue & Costs

	<u>Actual</u>	<u>Benchmark</u>	<u>Variance</u>	<u>Notes</u>
Revenue	\$162,600,000	\$164,000,000	-\$1,400,000	Per Assumption #1 above
Component A	\$38,500,000	\$41,500,000	-\$3,000,000	Per Assumption #3 above
Component B	\$58,700,000	\$59,000,000	-\$300,000	Per Assumption #2 above

Step 2: Cost Variance calculation and bandwidths

	<u>Actual</u>	<u>Benchmark</u>	<u>Variance</u>	
Retail Sales in kWh	1,102,000,000	1,112,000,000	-10,000,000	Per Assumption #1
Component B Cost per kWh	\$0.0533	\$0.0531	\$0.0002	Actual Component B costs per kWh were slightly higher than benchmark
Component B Cost Variance:	\$230,576			Variance in Component B costs per kWh times actual retail sales
Amount GMP (absorbs)/keeps:	-\$230,576			+\$150 K / (\$307 K) Efficiency Band and incremental 10% thereafter. In this example, GMP absorbs about \$231 K of cost increase
Component B Adjusted for Cost Variance	-\$530,576			(\$300,000) raw Component B variance, plus about \$231 K of cost variance absorbed by GMP

Step 3: Calculation of Retail Revenue Adjustor and Power Adjustor

Retail Revenue Adjustor:	\$1,400,000	Collection from customers of \$1.4 million, offsetting the decline in retail sales
Component A:	-\$3,000,000	Actual Component A costs \$3 million below benchmark; full return to customers.
Component B:	-\$530,576	Actual Component B costs \$300k lower than benchmark; GMP also absorbs \$231 K of cost variance.
Power Supply Adjustor	-\$3,530,576	Total Power Adjustor (Component A + Cost-variance adjusted Component B)

Step 4: Net Retail Revenue Adjustor and Power Adjustor

Retail Revenue Adjustor:	\$1,400,000	Recovery from customers of \$1,400,000 due to lower retail sales.
Power Supply Adjustor:	-\$3,530,576	Return to customers
Net Adjustment*	-\$2,130,576	

*This amount to be netted against the Major Storm Adjustor and any amount used from the Major Storm Restoration Fund as may be approved by the PUC, and collected from or returned to customers in accordance with the methodology in Section VII of the New Plan

Attachment 6 Example ESAM Calculation ⁽¹⁾
 (all revenues/costs in \$000)

	Year 1 Benchmark	Year 1 Actual	Year 1 Allowed ROE 8.57%	Year 1 Ceiling Sharing Band ⁽²⁾	Year 1 Ceiling Efficiency Band ⁽²⁾	Year 1 Floor Efficiency Band ⁽²⁾	Year 1 Floor Sharing Band ⁽²⁾
ROE Range	8.57%	8.30%	8.57%	9.82%	9.07%	8.07%	7.07%
Total Retail Revenue	\$680,762	\$680,771	Revenue Required \$683,942	Revenue Required \$698,448	Revenue Required \$689,744	Revenue Required \$678,139	Revenue Required \$666,533
Total Expenses	\$542,360	\$545,530	\$545,530	\$545,530	\$545,530	\$545,530	\$545,530
Operating income	\$138,402	\$135,241	\$138,412	\$152,918	\$144,214	\$132,609	\$121,003
Interest	\$38,915	\$38,915	\$38,915	\$38,915	\$38,915	\$38,915	\$38,915
Net income pre-tax	\$99,487	\$96,326	\$99,497	\$114,003	\$105,299	\$93,694	\$82,088
Income tax	\$27,573	\$26,704	\$27,583	\$31,604	\$29,191	\$25,974	\$22,757
Net income	\$71,914	\$69,622	\$71,914	\$82,399	\$76,108	\$67,720	\$59,332
Equity Component of Rate base	\$838,822	\$838,822	\$838,822	\$838,822	\$838,822	\$838,822	\$838,822
Return on Equity	8.57%	8.30%	8.57%	9.82%	9.07%	8.07%	7.07%
Revenue Requirement	\$680,762		\$683,942	\$698,448	\$689,744	\$678,139	\$666,533

Earnings Sharing Bands	bps change	ROE Range	Revenue Requirement	Actual Retail Revenues	Sufficiency / (Deficiency)	Results
Sharing Band Ceiling	0.75%	9.82%	\$ 698,448	\$ 680,771	\$ (17,678)	Actual Revenues below Sharing Band Ceiling.
Efficiency Band Ceiling	0.50%	9.07%	\$ 689,744	\$ 680,771	\$ (8,973)	Actual Revenues below ESAM Efficiency Band Ceiling
Allowed	8.57%	8.57%	\$ 683,942	\$ 680,771	\$ (3,171)	Actual Revenues below Allowed Cost of Equity but in the Efficiency Band, 100% shortfall retained by Company
Efficiency Band Floor	-0.50%	8.07%	\$ 678,139	\$ 680,771	\$ 2,632	Actual Revenues above ESAM Efficiency Band Floor
Sharing Band Floor	-1.00%	7.07%	\$ 666,533	\$ 680,771	\$ 14,238	Actual Revenues above Sharing Band Floor

In this illustrative example the total revenue deficiency is \$3,171. 100% of shortfall is within the ESAM Efficiency Band (\$683,942-\$678,139), so GMP will absorb 100% of the shortfall, \$3,171.

⁽¹⁾ Example is based on GMP's filed FY 2022 Base Rate Refresh.

⁽²⁾ Revenue sufficiency within the Sharing Band above the Efficiency Band Ceiling is shared 75% to customers and 25% to GMP and revenue sufficiency above the Sharing Band Ceiling is 100% to customers. Revenue deficiency within the Sharing Band below the Efficiency Band Floor is shared 50% to customers and 50% to GMP and revenue deficiency below the Sharing Band Floor is 100% to customers.

GMP Innovation and Performance Metric Report
Performance Metrics Report

Category	Metric #	Metric	Measurement Period	FY23 (10/1/22-9/30/23)	FY24 (10/1/23-9/30/24)	FY25 (10/1/24-9/30/25)	FY26 (10/1/25-9/30/26)	Trend	
Capital Expenses	1	Total amount of capital spending	FY						
	2	Total amount of capital spending closed to plant	FY						
	3	Any exceptions to capital spending thresholds sought by GMP	FY						
Exogenous Costs	4	Total amount of exogenous storms costs	FY						
	5	GMP's power supply emissions profile (lbs CO2/kWh delivered)	CY						
Power Portfolio	6a	Percent of GMP's power supply that is carbon-free	CY						
	6b	Percent of GMP's power supply that is renewable energy (as defined under 30 V.S.A. § 8002(21))	CY						
	7a	Annual ISO Peak	CY						
	7b	GMP coincident load for ISO Peak	CY						
	7c	Winter peak - Vermont	CY						
	7d	GMP coincident load for Vermont winter peak	CY						
	7e	Summer peak - Vermont	CY						
Distributed Generation	7f	GMP coincident load for Vermont summer peak	CY						
	8	Total number and capacity of DG facilities interconnected to GMP's system	Cumulative through CY						
	9a		<=15 kW	CY					
	9b	Aggregate capacity of DG facilities interconnected to GMP's system in the prior calendar year	>15, <=150 kW	CY					
	9c		>150, <=500 kW	CY					
	9d		>500 kW	CY					
	10a		<=15 kW	CY					
	10b	Total number of third-party DG resources interconnected to GMP's system in the prior calendar year	>15, <=150 kW	CY					
	10c		>150, <=500 kW	CY					
	10d		>500 kW	CY					
	11a	Total number and aggregate capacity of systems currently waiting for interconnection to GMP's system but unable to do so as a result of capacity constraints on GMP system	<=15 kW	FY					
	11b		>15, <=150 kW	FY					
	11c		>150, <=500 kW	FY					
	11d		>500 kW	FY					
	12	Listing of pending interconnection requests, cost estimate of GMP upgrades for each request, current status of each request*		CY					
	13a		<=15 kW	FY					
	13b	Estimated average days to interconnect DG systems (from point project is ready for physical interconnection)	>15, <=150 kW	FY					
	13c		>150, >=500 kW	FY					
	13d		>500 kW	FY					
	14a	Estimated longest duration for interconnecting DG facility (from point project is ready for physical interconnection)	<=15 kW	FY					
	14b		>15, <=150 kW	FY					
	14c		>150, >=500 kW	FY					
	14d		>500 kW	FY					
	15	Average interconnection cost for DG systems in the prior calendar year (aggregate)		CY					
15a		<=15 kW	CY						
15b	Average interconnection cost for DG systems in the prior calendar year by facility size	>15, <=150 kW	CY						
15c		>150, >=500 kW	CY						
15d		>500 kW	CY						
16	Percent of GMP circuits with TGFOV limitations		As of [CY End]						
16a		>20%	As of [CY End]						
16b	Percent of substation transformers with capacity remaining	<20% but >10 %	As of [CY End]						
16c		<10 %	As of [CY End]						
Distributed Energy Resources (DER)*	17a	Percent of GMP load subject to dynamic curtailment or interruption	Cumulative through end of FY						
	17b	Percent of GMP load with shared access by GMP directly or through aggregators	Cumulative through end of FY						
	18	Total number and aggregate MW capacity of behind-the-meter DERs connected to GMP shared access platform	Cumulative through end of CY						
	19	Capacity of DER fleet that is on an incentive rate	Cumulative through end of FY						
	20	Capacity of behind the meter DERs resources installed by third party suppliers connected to a GMP shared access platform	FY						
	20a	Combined hours of backup provided by batteries in customer homes during outage events	CY						
	21a	Number and capacity of storage systems connected to a GMP shared access platform	FY						
21b	Number of storage systems that are capable of islanding individual customers or groups of customers (to the extent known)	FY							
EV	22	Number of standalone Level 3 EV public charging stations interconnected (to extent known)	FY						
	22a	Percentages of GMP fleet procured and converted to electric for the FY and cumulative - broken down by full EV or hybrid/partial EV	FY and Cumulative through end of FY						
	23	Number of EV home chargers connected to GMP shared access platform	FY						
	24	Number of customers currently enrolled in EV charging rates or other relevant incentives through tariffs, pilot program, or other incentive programs	Cumulative through end of FY						
	25a	Number of make-ready requests for EV public charging stations that GMP is aware of in the past calendar year	FY						
	25b	Estimated average GMP response time from request to interconnection	FY						
Other	26a	Percent of customers receiving eBills	Cumulative through end of FY						
	26b	Percent of customers remitting thru autodraft or recurring CC	Cumulative through end of FY						
	26c	Percent of customers with a GMP online account	Cumulative through end of FY						
	26d	Percent of customers enrolled in text alerts**	Cumulative through end of FY						
BYOD Storage Tariff Commitments (19-3537-TF)	27	Number of systems and total kW installed under BYOD	FY						
	28	Number of installers participating in BYOD	FY						
	29	Names of the installers (separate attachment)	FY						
	30	Battery type/size installed by manufacturer	FY						
	31	Number of monthly peaks during which discharge successfully occurred during the RNS peak and the total capacity available during discharge	FY						
	32	Whether the batteries were successfully discharged during the ISO New England annual forward capacity peak and the total capacity available during that discharge	FY						
33	Financial savings from peak shaving actually achieved	FY							
34	Annual program costs of BYOD program	FY							
35	Number and capacity of systems that fail to respond to more than three discharge signals	FY							

GMP Innovation and Performance Metric Report
Performance Metrics Report

Category	Metric #	Metric	Measurement Period	FY23	FY24	FY25	FY26	Trend
				(10/1/22-9/30/23)	(10/1/23-9/30/24)	(10/1/24-9/30/25)	(10/1/25-9/30/26)	
ESS Storage Tariff Commitments (19-3167-TF)	36	Number of systems and total kW installed under ESS Tariff	FY					
	37	Number of installers participating in ESS Tariff	FY					
	38	Names of the installers (separate attachment)	FY					
	39	Battery type/size installed by manufacturer	FY					
	40	Number of monthly peaks during which discharge successfully occurred during the RNS peak and the total capacity available during discharge	FY					
	41	Whether the batteries were successfully discharged during the ISO New England annual forward capacity peak and the total capacity available during that discharge	FY					
	42	Financial savings from peak shaving actually achieved	FY					
	43	Total lease revenue	FY					
	44	Any payments requested and/or received from Tesla under the performance guarantee	FY					
	45	Annual program costs for ESS (including cost to service debt and equity associated with the investments for the ESS Tariff)	FY					
	46	Number and capacity of systems defaulting on lease payments	FY					
	47	Number and capacity of systems that fail to respond to more than three discharge signals	FY					
Low/Moderate Income Access	48	Percent of new GMP programs with feature targeted at LMI customer availability	FY					
	49	Year over year increase in number of customers utilizing LMI rebates/Tier 3	FY					

* (not including solar PV systems)

* Statuses include:

- 1) in Fast Track Screening;
- 2) in Feasibility Study process (if requested);
- 3) in System Impact Study process;
- 4) in Facilities Study process;
- 5) Interconnection Agreement provided to generator;
- 6) interconnection agreement fully executed;
- 7) project online

**Note: this data reflects % of accounts with text alert enrollment, not total enrolled user; some accounts may have more than one enrolled user (e.g. family members in same household both receiving outage alerts)

Green Mountain Power
FY 2023 - 2026 Multi-Year Regulation Plan

Expected Filings	Rate Period	Measurement Period	Filing Date	Rates Effective	Review	DPS Review and PUC Approval	
Annual Base Rate Filing							
			GMP shall provide to the DPS the retail revenue forecast and the power supply forecast upon completion and at least 30 days prior to GMP's FY 2024 - FY 2026 Annual Base Rate Filing Date shown below.	Subject to DPS Review & PUC Approval		The Commission's Order in the FY23 Traditional Rate Case along with the approval of this Plan's Initial Smoothing Mechanism shall set the FY23 Initial Base Rate. The proposed Annual Base Rate filings thereafter shall be subject to DPS review and comment (including independent expert review, as needed), and PUC approval. The Department shall file comments on GMP's Annual Base Rate Filings within 60 days of the filing. Final rates for the coming fiscal year shall be set by the PUC no less than 30 days prior to the start of the fiscal year. The Annual Base Rate Filing shall be posted on GMP's website at the time of filing, and GMP shall provide individual customer notice through bill notification of each Plan period's Base Rate Annual Adjustment when its request to effectuate those changes is filed.	
FY 2023 Traditional Base Rate Filing	FY 2023	NA	No later than 1/15/2022	1-Oct-22		Review Complete per Rate Case Schedule PUC Approval: Sep 30, 2022	
FY 2024 Base Rate Filing	FY 2024	NA	1-Jun-2023	1-Oct-23		Review Complete: Aug 1, 2023 PUC Approval: Sep 1, 2023	
FY 2025 Base Rate Filing	FY 2025	NA	1-Jun-2024	1-Oct-24		Review Complete: Aug 1, 2024 PUC Approval: Sep 1, 2024	
FY 2026 Base Rate Filing	FY 2026	NA	1-Jun-2025	1-Oct-25		Review Complete: Aug 1, 2025 PUC Approval: Sep 1, 2025	
FY 2023 - 2026 Retail Revenue, Power Supply and Major Storm Adjustors							
				Collection or Refund will be over a 12-month period on a bills rendered basis, unless otherwise requested or ordered by the Commission. Effective start date to be the second quarter after the triggering- event quarter.	Subject to DPS Review & PUC Approval		For each measurement quarter, the quarterly retail revenue and power supply variance amounts and the quarterly qualified major storm amount will be netted into the 'Quarterly Net Adjustment'. Within 30 days of the end of each quarter, GMP shall file a report summarizing the results of the quarter, along with the net amount to be returned to or collected from customers, if any. Triggering Event for refund or collection of the Quarterly Net Adjustment is when the current measurement quarter is in the same direction as the Quarterly Net Adjustment from the prior measurement quarter and the prior quarter cumulative carry forward is greater than +/- \$1M, then the prior quarter cumulative carry forward will be collected from or returned to customers. The Quarterly Net Adjustment will appear as a separate line item ("Current Energy/Major Storm Adjustor") on customer bills.
Retail Revenue, Power Supply and Major Storm Adjustor	Q1	Oct 1 - Dec 31	Jan 30	TBD		Quarterly Adjustor Review Complete: Mar 1	
Retail Revenue, Power Supply and Major Storm Adjustor	Q2	Jan 1 - Mar 31	Apr 30	TBD		Quarterly Adjustor Review Complete: May 30	
Retail Revenue, Power Supply and Major Storm Adjustor	Q3	Apr 1 - Jun 30	Jul 30	TBD		Quarterly Adjustor Review Complete: Aug 30	
Retail Revenue, Power Supply and Major Storm Adjustor	Q4	Jul 1 - Sep 30	Oct 30	TBD		Quarterly Adjustor Review Complete: Nov 30	
FY 2023 - 2026 Annual Exogenous Non-Storm Change Adjustor							
				Subject to DPS Review & PUC Approval		Within 60 days after the end of each measurement period, the calculation associated with the Exogenous Non-Storm Change Adjustor shall be filed and subject to review and comment by the Department. The Commission shall approve the proposed adjustments no later than 45 days prior to April 1 of the following year so that the Exogenous Non-Storm Change adjustor can be reflected as a separate line item on customers bills for the ensuing 12 months, unless otherwise ordered by the Commission. GMP shall provide individual customer notice through bill notification 30 days prior to start of adjustment.	
FY 2023 Exogenous Non-Storm Change Filing	FY 2023	Oct 1 2022 - Sep 30, 2023	29-Nov-2023	1-Apr-24		PUC Approval: Feb 15, 2024	
FY 2024 Exogenous Non-Storm Change Filing	FY 2024	Oct 1 2023 - Sep 30, 2024	29-Nov-2024	1-Apr-25		PUC Approval: Feb 15, 2025	
FY 2025 Exogenous Non-Storm Change Filing	FY 2025	Oct 1 2024 - Sep 30, 2025	29-Nov-2025	1-Apr-26		PUC Approval: Feb 15, 2026	
FY 2026 Exogenous Non-Storm Change Filing	FY 2026	Oct 1 2025 - Sep 30, 2026	29-Nov-2026	1-Apr-27		PUC Approval: Feb 15, 2027	
FY 2023 - 2026 Annual Earnings Sharing Adjustor Mechanism "ESAM"							
				Subject to DPS Review & PUC Approval		The Company's rates will be subject to an Earnings Sharing Adjustor for each rate period during the Plan term. No later than 60 days after the end of each fiscal year ("ESAM Measurement Period"), the Company shall file with the Commission and Department it's actual earnings for the ESAM Measurement Period, the proposed Earnings Sharing Adjustor calculation and supporting information. The Commission shall approve the proposed adjustment no later than 45 days prior to April 1 of the following year, so that the Earnings Sharing Adjustor amount can be reflected as a separate line item on customers bills for the ensuing 12 months, unless otherwise ordered by the Commission, commencing April 1 of each year.	
FY 2023 ESAM Filing	FY 2023	Oct 1 2022 - Sep 30, 2023	29-Nov-2023	1-Apr-24		PUC Approval: Feb 15, 2024	

**Green Mountain Power
FY 2023 - 2026 Multi-Year Regulation Plan**

Expected Filings	Rate Period	Measurement Period	Filing Date	Rates Effective	Review	DPS Review and PUC Approval
FY 2024 ESAM Filing	FY 2024	Oct 1 2023 - Sep 30, 2024	29-Nov-2024	1-Apr-25		PUC Approval: Feb 15, 2025
FY 2025 ESAM Filing	FY 2025	Oct 1 2024 - Sep 30, 2025	29-Nov-2025	1-Apr-26		PUC Approval: Feb 15, 2026
FY 2026 ESAM Filing	FY 2026	Oct 1 2025 - Sep 30, 2026	29-Nov-2026	1-Apr-27		PUC Approval: Feb 15, 2027
FY 2023 - 2026 Annual Plan Evaluation and Performance Metrics						Beginning January 30, 2024 and each year thereafter under the Plan, the Company shall measure and annually report on the Innovation and Performance Metrics identified in Attachment 7. Metrics shall be measured on a fiscal year basis except where otherwise indicated on the Attachment. At the same time, the Company will file a brief narrative evaluation of the effectiveness of the Plan's performance.
FY 2023 Annual Plan Evaluation & Performance Metric Report	FY 2023	Oct 1 2022 - Sep 30, 2023	30-Jan-2024			
FY 2024 Annual Plan Evaluation & Performance Metric Report	FY 2024	Oct 1 2023 - Sep 30, 2024	30-Jan-2025			
FY 2025 Annual Plan Evaluation & Performance Metric Report	FY 2025	Oct 1 2024 - Sep 30, 2025	30-Jan-2026			
FY 2026 Annual Plan Evaluation & Performance Metric Report	FY 2026	Oct 1 2025 - Sep 30, 2026	30-Jan-2027			
NOTE: Filing Dates Under Current Regulation Plan					Subject to DPS Review & PUC Approval	Within 60 days after the end of each measurement period, calculations associated with the Earnings Sharing Adjustor, Merger Savings Report and Emerald Ash Borer Adjustor shall be filed and subject to review and comment by the Department.
FY 2022 Merger Savings Report	FY 2022	Oct 1 2021 - Sep 30, 2022	29-Nov-2022	Per Commission Order		
FY 2022 Emerald Ash Borer Annual Report	FY 2022	Oct 1 2021 - Sep 30, 2022	29-Nov-2022	Per Commission Order		
FY 2022 ESAM Filing	FY 2022	Oct 1 2021 - Sep 30, 2022	29-Nov-2022	1-Apr-23		PUC Approval: Feb 15, 2023
Filing Dates For Extension of Plan and/or New Regulation Plan					Subject to DPS Review & PUC Approval	The Company shall have the option to petition for an extension of the Plan for up to one year beginning October 1, 2026. No later than January 31, 2025 the Company shall file with the Commission and Department any request for plan extension, along with a proposal regarding how the Plan's terms will apply to set base rates during the period of extension.
Petition for One-Year Extension	FY 2027	Oct 1 2026 - Sep 30, 2027	No later than 1/31/2025			
Successor Regulation Plan	TBD	TBD	Thirteen months prior to proposed effective date			