

**Outline of Testimony of James Volz
Public Service Board FY 2016 Budget
January 29, 2015**

- Thank you for giving me the opportunity to testify. I want to highlight the major areas of work for the Public Service Board and then answer any questions you may have.
- Siting. Cases and proceedings involving siting continue to expand as a significant part of the Board's workload, continuing a trend over the last five years.
 - The Board has responsibility for approving siting and construction of electric and natural gas transmission lines and generation facilities, as well as telecommunications facilities when the carriers elect to apply to the Board.
 - Renewable development continues at a strong pace and continues to occupy a significant part of our workload.
 - The number of net metering projects continues to increase significantly. In FY13 the Board processed 1,070 net metering applications. In FY14, that number grew to 1,190. In the first 6 months of FY15, the Board already has received 1,607 such applications.
 - Wireless communications service expansion and deployment of new capabilities has meant more cell tower siting. In FY13, the Board processed 109 telecommunications facilities applications pursuant to 30 V.S.A. § 248a and § 248n. In FY14 that number grew to 138. In the first six months of FY15, the Board already has received 70 such applications.
 - The Board expects that the next year will be more of the same.
 - The Board continues to examine aspects of Vermont Gas Systems' expansion of its system to Middlebury.
 - Vermont Gas Systems is seeking Board approval of a second major pipeline expansion project in Addison County, with the endpoint at International Paper in Ticonderoga.
 - TDI New England is seeking Board approval to construct the New England Clean Power Link Project, a major electric transmission line.
 - Over the last year, complaints regarding projects after they are built have increased materially. This is a challenge for the Board because we do not have any enforcement staff.

- Renewable Policy Issues
 - The Board continues to spend a substantial amount of time on implementation issues related to the standard offer and net metering programs.
 - New legislative requirements have led to the need to update the net metering program.
 - The revised standard offer program requires regular RFPs for new power, updates of prices caps, and other implementation matters.
 - We expect these to continue.

- Vermont Yankee
 - The Board spent a significant amount of time in the last year reviewing the requests of Vermont Yankee's owner and operator for permission to continue to do business within the state.
 - Even with the closure of the plant at the end of 2014, there is much related work left to be done by the Board related to site restoration standards and siting of a new spent fuel storage pad.
 - We expect Vermont Yankee to consume more Board time and resources this calendar year.

- Ongoing Oversight of Companies Subject to Board Jurisdiction
 - Review of rates. With alternative regulation and competition in the telecommunications sector, this is a smaller, but material part of our workload. This year, with VGS incurring large construction costs, review of a rate increase request is likely.
 - The Board also expects to receive a request to renew VGS's alternative regulation plan.
 - We expect examination of GMP's rates to continue, with a detailed review of GMP's rate design in the next year.
 - Service Quality. The Board is actively examining FairPoint's service quality.
 - Overall, in FY14 the Board opened 207 dockets, many of which related to renewable energy and telecommunications matters. In the first six months of FY15, the number of new proceedings is 106.

- Energy Efficiency Utility
 - The Board has ongoing work overseeing the EEUs, including starting a formal performance assessment of VEIC.
 - The Board is continuing to implement new legislative mandates, primarily related to thermal efficiency services.
 - The Board will also be formalizing the appointment of VGS as an EEU.

- Deployment of the Board's New Electronic Case Management System
 - The Board has a contract to deploy an electronic case management system and is working with the contractor to get this system up and running. We expect this work to continue through most of FY 16 and to require substantial effort, as it has over the last year.
 - In the end, we expect this will create greater efficiency and ease of use for regulated companies, the public, and interveners who have business with the Board.

- Performance Measures
 - Once our new electronic case management system is in place, we will be able to efficiently collect the data necessary to report on our preferred performance measures which are:
 - Percent of cases disposed of or otherwise resolved within established timeframes;
 - Percent of public inquiries and information requests satisfied within established timeframes; and
 - Percent of consumer complaints about utility service resolved using simplified, accessible procedures.
 - For now, we are able to collect and report on the following performance measures:
 - Number of certificates of public good issued or deemed issued;
 - Number of public records requests received; and
 - Percent of public records requests satisfied within established timeframes.

Net Metering Applications: In FY13, the Board processed 1070 net metering applications. In FY14, that number grew to 1190. As of the first six months of FY15, the Board already has received 1607 such applications.

Sec 248a & Sec 248n Telecommunications Facilities Applications: In FY13, the Board processed 109 telecommunications facilities applications pursuant to 30 V.S.A. §248a and §248n. In FY14 that number grew to 138. As of the first six months of FY15, the Board already has received 70 such applications.

Miscellaneous new dockets: In FY14, the Board opened 207 dockets, many of which related to renewable energy and telecommunications matters. As of the first six months of FY15, the number of new proceedings is 106.