

Update on Public Service Board Activities

What is the Board?

The Public Service Board is an independent quasi-judicial board that regulates the siting of electric and natural gas infrastructure and supervises the rates, quality of service, and overall financial management of Vermont's public utilities: electric, gas, energy efficiency, telecommunications, cable television (terms of service only, not rates), water and large wastewater companies. The Board also reviews requests for certificates of public good, or CPGs, authorizing the construction of electric generation, electric transmission, and natural gas transmission facilities, including net-metered electric generation facilities.

The Board is assisted by 16 hearing officers, who hear smaller cases directly and assist the Board in larger cases, along with eight administrative staff.

Under Vermont law, the Board hears the majority of its cases under contested case, or court-like, procedures. However, in some instances, the Board also uses more informal processes, particularly when implementing policy directives from the legislature, and also adopts rules pursuant to the Administrative Procedures Act.

Overview of Major Board Activities

Since the close of the last legislative session, the Board has been engaged in a number of activities that implement policy directives from the legislature and seek to facilitate public engagement in the Board's review of cases.

These include:

- **ePSB Launch.** On January 17, Phase 1 of ePSB – the Board's new online document management system – will "go live." This means that most types of cases filed with the Board on or after that date will be filed electronically, rather than in paper. It also means that anyone interested in a proceeding will now have online access to the case filings, public comments, testimony, and other materials submitted to the Board.
- **New Website.** On December 28, 2016, the Board launched a new website. Included in the new website is a brand new section dedicated to assisting members of the public who want to participate in Board proceedings or want information on a case before the Board. The new public participation section contains step-by-step guides to the processes used in common Board cases and a glossary of commonly used terms to help members of the public navigate the Board's proceedings. During 2017, the Board intends to solicit feedback on this new public participation guide and continue to make improvements to assist members of the public seeking to engage with the Board.
- **Net-Metering Rule.** The Board continues to work to implement the new net-metering program as required by Act 99 of 2014. The Board intends to deliver a final proposed rule to the Legislative Committee on Administrative Rules by January 20, 2017. In addition, pursuant to Section 5(d)(5)(A) of Act 99, the Board has established a revised net-metering program by order pending adoption of the rule.
- **Rule on Sound from Wind Generation Facilities.** As required by Act 174 of 2016, the Board is conducting a rulemaking proceeding to develop standards to address sound emitted by wind generation facilities. To date, the Board has received two rounds of written comments and held a day and a half of workshop discussions to assist in the development of its proposed rule. The Board expects to file a proposed rule with the Secretary of State in late winter in order to meet the statutory deadline to adopt rules by July 1, 2017.

- **Aesthetic Mitigation and Decommissioning Rules.** Pursuant to Act 174, the Board has filed proposed rules with the Secretary of State outlining standards for the installation and maintenance of aesthetic mitigation measures and decommissioning for electric generation, electric transmission, and natural gas facilities. The Board expects to receive comments from stakeholders on these rules and make further revisions to its proposed rules in time to adopt final rules by the statutory deadline of August 15, 2017.
- **Implementation of the Renewable Energy Standard.** The Board continues to work to finalize the implementation of the Renewable Energy Standard, or RES. The Board recently secured approval of modifications to the existing system tracking renewable energy credits, or RECs, in New England to enable the creation and tracking of Vermont-specific RECs. In addition, in 2017 the Board expects to commence a process to adopt formal rules for the RES by July 2018, consistent with the requirements of Act 56 of 2015.
- **Standard-Offer Pilot Program.** Pursuant to Act 174, the Board is engaged in implementing the “preferred sites” pilot program within the Standard Offer Program. The Board expects to issue orders establishing price caps and other necessary measures this spring in order to implement the pilot during 2017 as required under the Act.
- **Interconnection Rule Revisions.** The Board is also engaged in an effort to update its interconnection rule, which governs the technical requirements and procedures for facilities wishing to connect to the electrical grid.
- **Act 174 Working Group.** During the latter part of 2016, Board staff assisted the activities of the Citizen Participation in Public Service Board Proceedings Working Group, on which Board Member Cheney served. The Working Group’s recommendations were delivered to the legislature on December 15, 2016.

Expected Major Cases.

In addition to the above policy implementation efforts, the Board also expects to see a number of significant cases in 2017. These include:

- A rate proceeding for Vermont Gas Systems, Inc., that relates to the recovery of costs from the Addison Natural Gas Pipeline project
 - A review of Green Mountain Power Corporation’s cost of service
 - The proposed sale of the Vermont Yankee Nuclear Power Station
 - The proposed sale of Fairpoint Communications, Inc.’s Vermont operations
 - A proceeding currently underway to establish spending budgets for the state’s energy efficiency programs over the next three years
 - Review of a proposed wind generation facility in Swanton
 - Review of a proposed major transmission line connecting Vermont and New York
 - Review of a request for a renewed certificate of public good for Comcast Corporation
 - Ongoing review of requests for approval of smaller electric generation and transmission facilities.
- In FY2016, the Board received 2,278 net-metering applications.