

Vermont Department of Public Service

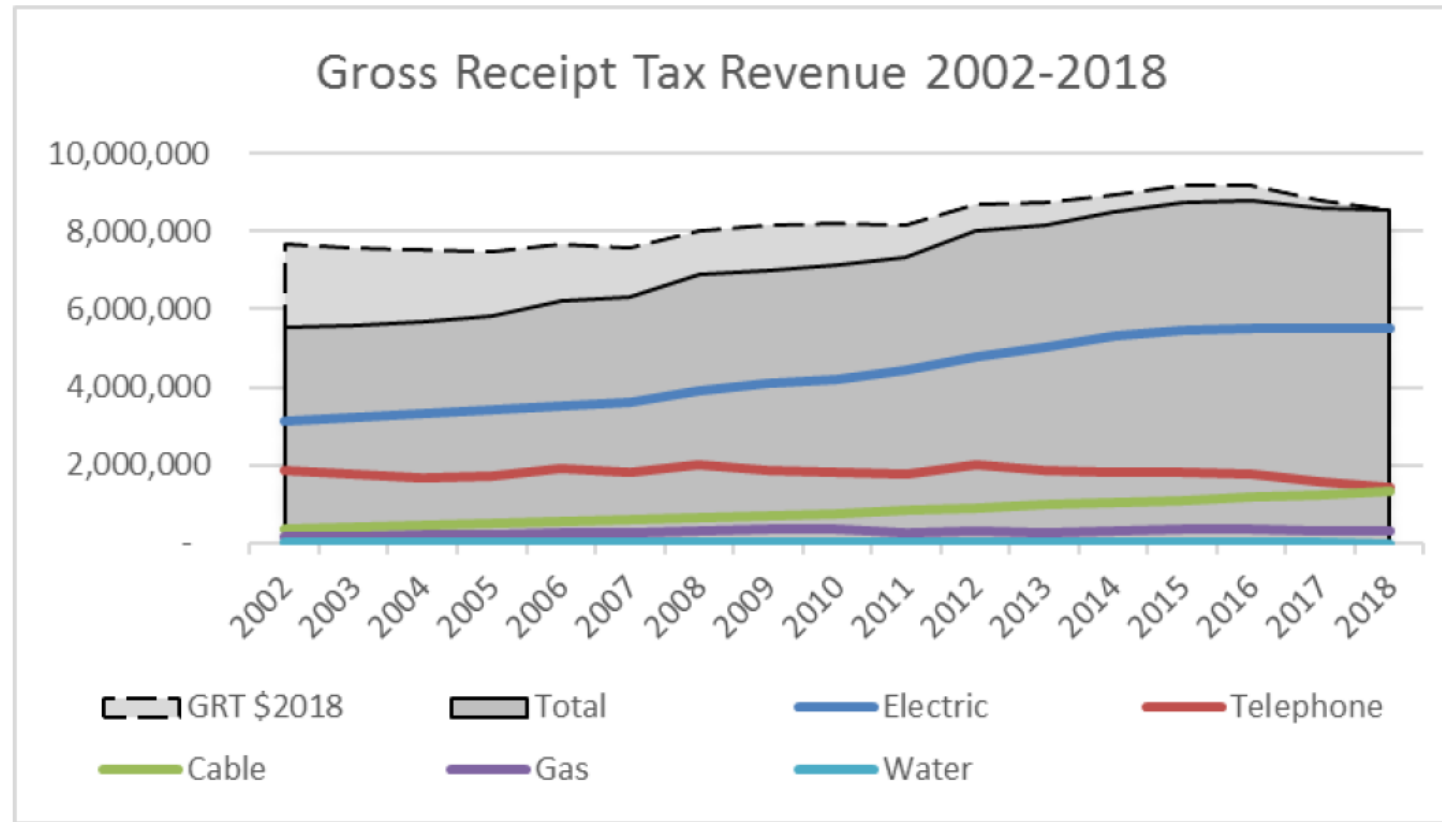
Fees related to 30 VSA §248c

Riley Allen, Deputy Commissioner

June Tierney, Commissioner

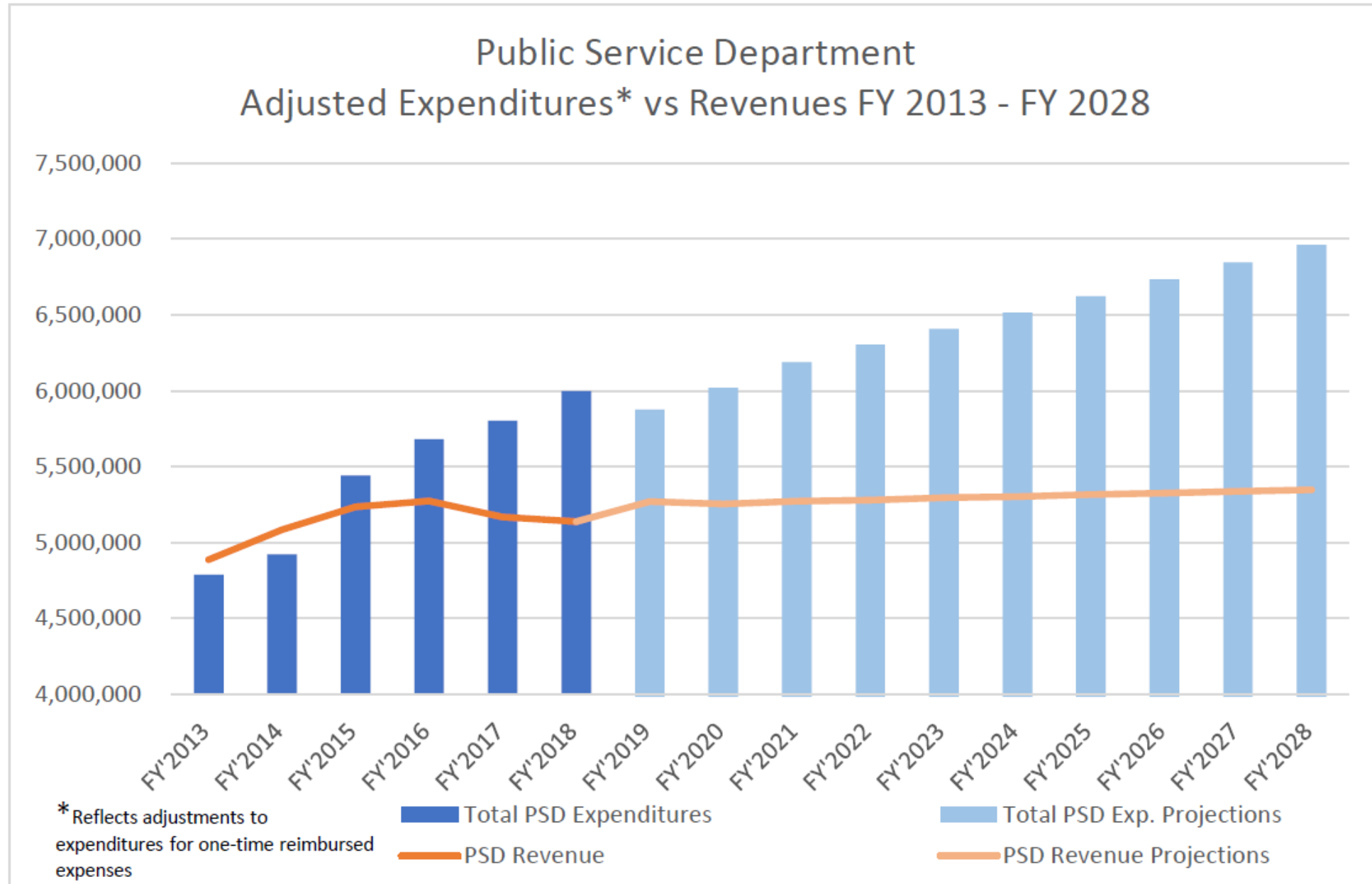
February 15, 2019

Figure 1 -- Gross Receipts Tax Revenue 2002-2018



		2010	2011	2012	2013	2014	2015	2016	2017	2018
Electric		\$ 4,193,263	\$ 4,445,824	\$ 4,782,085	\$ 5,008,103	\$ 5,310,619	\$ 5,470,690	\$ 5,507,514	\$ 5,487,512	\$ 5,505,661
Telephone		\$ 1,836,859	\$ 1,759,004	\$ 1,995,423	\$ 1,846,454	\$ 1,799,615	\$ 1,826,415	\$ 1,747,995	\$ 1,571,085	\$ 1,419,576
Cable		\$ 764,061	\$ 843,298	\$ 907,349	\$ 1,005,051	\$ 1,056,332	\$ 1,071,971	\$ 1,173,788	\$ 1,247,667	\$ 1,325,924
Gas		\$ 347,655	\$ 284,004	\$ 301,622	\$ 282,760	\$ 305,528	\$ 347,410	\$ 358,143	\$ 302,912	\$ 310,285
Water		\$ 1,675	\$ 1,530	\$ 1,172	\$ 2,148	\$ 1,483	\$ 1,549	\$ 1,304	\$ 1,181	\$ 1,008
Total		\$ 7,143,514	\$ 7,333,660	\$ 7,987,651	\$ 8,144,516	\$ 8,473,577	\$ 8,718,035	\$ 8,788,743	\$ 8,610,357	\$ 8,562,453
Department	60%	\$ 4,286,108	\$ 4,400,196	\$ 4,792,591	\$ 4,886,710	\$ 5,084,146	\$ 5,230,821	\$ 5,273,246	\$ 5,166,214	\$ 5,137,472
Commission	40%	\$ 2,857,406	\$ 2,933,464	\$ 3,195,061	\$ 3,257,806	\$ 3,389,431	\$ 3,487,214	\$ 3,515,497	\$ 3,444,143	\$ 3,424,981

Figure 5 – Department GRT Fund Expenditures and Projections versus GRT Revenues



Department Recommendations

- The Department recommends a one-time reallocation from the PUC's \$4.4 million of accumulated carry-over funds;
- The GRT split should be revised to 65%-PSD/35%-PUC;
- **Supplement the GRT mechanism by instituting an administratively determined cost-based fee;**
- Supplement the Department's existing funding with more frequent and expanded use of the billback authority.

Proposed Fees and Estimated Revenues

	Per registration	Per kW capacity
Type of Case	\$ <u>100</u>	\$ <u>4</u>
Generation Projects > 5 MW		\$80,000
Generation Projects >500 kW through 5 MW		\$92,000
NM Generation Projects >50 kW through 500 kW		\$121,628
NM Generation Projects >15 kW through 50 kW	\$5,100	
NM Generation Projects <15 kW	\$305,400	
Total		604,128

Table 6 – Commission Percentage of Personnel Costs by Industry and Work Function

Division		Industry Group - Percentage of Personnel Costs							Energy Efficiency	Sub-Total
		Electric Utility	Merchant Generation	Net-metering	Telecom	Cable	Gas	Water		
	Regulation	11.70%	2.13%	1.11%	4.07%	2.05%	3.09%	2.20%	2.94%	29.28%
	Policy	4.51%	2.91%	2.66%	0.86%	0.05%	0.43%	0.11%	2.73%	14.27%
PUC	Siting	3.72%	9.09%	34.49%	0.46%	0.00%	1.21%	0.00%	0.00%	48.96%
	Compliance	1.59%	1.96%	1.11%	0.10%	0.27%	2.38%	0.05%	0.05%	7.50%
	Sub-total	21.52%	16.09%	39.35%	5.49%	2.36%	7.10%	2.36%	5.72%	100.00%

Table 7 – Department Percentage of Personnel Costs by Industry and Work Function

		Utility/Petitioner Type - Percentage of Personnel Costs										
		Merchant Generation										
Department-wide	Work Function	Electric	Large Scale	Small Scale	Telephone	Cable	Gas	Water	Energy Eff	Net Metering	Other	Sub-total
	Regulation	5.70%	0.51%	0.48%	2.73%	0.87%	0.52%	0.03%	3.90%	0.21%	0.59%	15.54%
	Policy	4.80%	0.57%	0.53%	1.44%	1.23%	0.92%	0.25%	4.17%	1.22%	0.06%	15.19%
	Investigatory	2.78%	1.22%	0.54%	2.34%	1.24%	0.40%	0.03%	1.79%	0.66%	0.00%	11.00%
	Rate Case	0.63%	0.49%	0.00%	1.25%	0.89%	0.00%	0.00%	0.00%	0.00%	0.59%	3.85%
	Other Petitions	7.32%	0.00%	0.31%	0.28%	0.15%	1.73%	1.80%	0.00%	0.04%	0.59%	12.23%
	248 Filings	3.32%	0.51%	0.12%	0.09%	0.37%	0.17%	0.12%	0.41%	0.31%	0.59%	6.01%
	Enforcement	3.48%	2.52%	4.35%	1.83%	0.29%	0.44%	0.29%	0.29%	4.40%	0.00%	17.89%
	Advocate	2.60%	2.70%	0.40%	1.30%	1.13%	7.38%	0.15%	1.98%	0.27%	0.36%	18.29%
	Sub-Total	30.63%	8.52%	6.74%	11.27%	6.16%	11.57%	2.68%	12.54%	7.11%	2.79%	100.00%
												100.00%

Extra Slides for Reference

Table 2 – Number of Cases Filed by Merchant and Net-Metered Projects

Number of PUC Cases Filed by Persons or Companies That Do Not Pay the Gross Receipts Tax					
Type of Case	FY18	FY17	FY16	FY15	FY14
Generation Projects > 5 MW	0	1	1	0	0
Generation Projects >500 kW through 5 MW	6	8	15	3	11
NM Generation Projects >50 kW through 500 kW	191	145	204	126	58
NM Generation Projects >15 kW through 50 kW	107	51	32	40	65
NM Generation Projects <15 kW	2,973	3,054	1,998	1,238	925
Transmission Projects (merchant transmission lines, national grid projects)	0	1	1	5	2
Other Non-Utility Cases (e.g., sale of a company, standard-offer contract matters, interconnection disputes, Rule 4.100 matters, met towers, NM minor amendments, NM extension requests)	238	29	23	8	6
Total	3,515	3,289	2,274	1,420	1,067

Table 3 – Amount of Additional Capacity Filed by Merchant and Net-Metered Projects

kW of Generation Filed by Persons or Companies That Do Not Pay the Gross Receipts Tax					
Type of Case	FY18	FY17	FY16	FY15	FY14
Generation Projects > 5 MW	0	20,000	20,000	0	0
Generation Projects >500 kW through 5 MW	24,070	23,000	50,990	49,133	19,720
NM Generation Projects >50 kW through 500 kW	46,690	30,407	52,339	28,803	10,271
NM Generation Projects >15 kW through 50 kW	3,261	1,591	846	1,027	1,243
NM Generation Projects <15 kW	21,106	21,314	12,722	7,904	5,688
Total	95,127	96,312	136,897	86,867	36,922

Table 4 – Net-Metered Cases Over Time

Number of Applications for Net-Metering Certificates of Public Good						
	FY13	FY14	FY15	FY16	FY17	FY18
Number of Applications Filed	925	1062	1408	2251	3252	3271

Table 5 – Number of Orders and CPGs Issued

Number of orders and CPGs issued				
	FY17	FY17 Percentage	FY18	FY18 Percentage
Electric (not merchant or net-metering)	324	21.12%	246	18.14%
Merchant generation and transmission	276	17.99%	310	22.86%
Net-metering	511	33.31%	355	26.18%
Gas	65	4.24%	46	3.39%
EEU	32	2.09%	44	3.24%
Telecom (not 248a or 248(n))	145	9.45%	64	4.72%
Telecom 248a and 248(n)	126	8.21%	257	18.95%
Water	13	0.85%	15	1.11%
Cable	37	2.41%	10	0.74%
Multi-industry	5	0.33%	9	0.66%
Total orders and CPGs issued	1,534	100.00%	1,356	100.00%

Number of hearings and workshops held				
	FY17	FY17 Percentage	FY18	FY18 Percentage
Electric (not merchant or net-metering)	49	29.17%	37	30.08%
Merchant generation and transmission	47	27.98%	30	24.39%
Net-metering	32	19.05%	21	17.07%
Gas	15	8.93%	14	11.38%
EEU	12	7.14%	9	7.32%
Telecom (not 248a or 248(n))	2	1.19%	4	3.25%
Telecom 248a and 248(n)	9	5.36%	1	0.81%
Water	1	0.60%	2	1.63%
Cable	1	0.60%	1	0.81%
Multi-industry	0	0.00%	3	2.44%
Administrative rule	0	0.00%	1	0.81%
Total	168	100.00%	123	100.00%

Table 12 – Public Service Department Spending Authority, Revenues, and Balances (2011-2019)

	Gross Revenue Fund								Projected
INCOME	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019
Cash Balance Brought Forward from Prior Fiscal Year	24,965	1,666,993	2,786,273	2,119,046	2,273,874	1,784,446	1,402,849	621,076	(175,671)
Adjustment to Carry Forward									
Gross Revenue Tax Receipts	7,347,241	7,990,348	8,149,397	8,476,682	8,667,092	8,855,325	8,380,928	8,668,594	8,828,607
Reimbursement by:									
Administration of Power		91,064	(87,908)						
Federal Grants									
Rate Case Reimbursement	3,462,700	895,752	217,103	(108,035)				439,350	
Sale of Service									
Miscellaneous Receipts	79,106	265,310	2,516	122,324	1,789	100,670	91,026	264,623	
Low-level Radioactive Waste Compact Fund									
Anticipated Receipts									
Interest Income/Dividends	69	23,231	49	(23,136)					
Total Funds Available	10,914,081	10,932,699	11,067,429	10,586,880	10,942,755	10,740,441	9,874,803	9,993,643	8,652,936
EXPENDITURES									
Salary/Benefits	3,279,327	3,175,643	3,572,906	3,842,481	4,336,665	4,271,312	4,904,361	4,702,309	4,900,000
Contracts	2,300,535	1,150,607	152,323	456,696	400,684	517,687	135,589	759,226	130,500
Operating	623,527	624,397	712,282	636,360	304,982	625,554	651,762	779,318	840,500
Grants	-		328,191	37,417	347,403	264,395	105,381	456,372	40,000
Other (Liabilities at Year-End from Prior Year)	49,141		22,765	(50,621)	51,738	1,568	4,263	4,652	
GRT Spending Authority	6,203,388	4,973,850	4,765,702	4,972,954	5,389,734	5,678,947	5,797,092	6,697,224	5,934,658
Total Expenditures	6,252,529	4,950,647	4,788,467	4,922,333	5,441,473	5,680,515	5,801,356	6,701,876	5,911,000
Total Transfers (to Commission, General Fund, etc.)	2,994,559	3,195,779	4,159,917	3,390,673	3,716,837	3,657,076	3,452,371	3,467,438	3,531,443
Ending Balance	1,666,993	2,786,273	2,119,046	2,273,874	1,784,445	1,402,849	621,076	(175,671)	(789,507)

Table 13 -- Public Utility Commission Spending Authority, Revenues, and Balance (FY2015 – FY2019)

Fiscal Year	FY15	FY16	FY17	FY18	FY19	
Spending Authority	\$3,399,076.00	\$3,480,181.00	\$3,545,000.00	\$3,647,838.00	\$3,700,815.00	
Total Expenditures - Including Billbacks	\$3,130,254.42	\$3,204,301.45	\$3,400,825.59	\$3,647,977.50		
Gross Receipts Tax Revenue	\$3,466,836.65	\$3,522,130.46	\$3,352,371.25	\$3,467,437.72	\$3,531,442.80	*
Billback Revenues	\$33,408.51	\$57,883.45	\$23,031.59	\$80,069.97	\$42,000.00	*
Cash Balance at 6/30	\$4,170,406.27	\$4,573,804.03	\$4,571,936.26	\$4,402,881.38		
GRT + Billback Revenues - Total Expenditures	\$369,990.74	\$375,712.46	-\$25,422.75	-\$100,469.81	-\$127,372.20	*