

STATE OF VERMONT
PUBLIC UTILITY COMMISSION

Case No. 20-2935-INV

Investigation to review the 2021 implementation of the standard-offer program	
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Order entered: 10/09/2020

ORDER OPENING INVESTIGATION AND ESTABLISHING SCHEDULE

I. INTRODUCTION

Pursuant to 30 V.S.A. § 8005a(f)(3), the Vermont Public Utility Commission (“Commission”) hereby opens an investigation to review the 2021 implementation of the standard-offer program.

In this Order, we appoint a Hearing Officer and establish a schedule for the proceeding.

II. BACKGROUND

Pursuant to Section 8005a(f)(3), the Commission is required to annually review the pricing mechanism and price caps under the standard-offer program.

Since 2013, pursuant to Section 8005a(f)(1), the Commission has used a request for proposal (“RFP”) mechanism to determine the standard-offer projects that will fill annual plant capacity available under the program.¹ The Commission has also annually established technology-specific avoided costs to serve as price caps on the standard-offer projects solicited through the RFP.

In 2018, the Commission established a mechanism for the allocation of available capacity for the remainder of the standard-offer program, pursuant to Section 8005a(c)(2).²

According to Section 8005a(g), farm methane projects remain outside of the programmatic cap. As part of its review of standard-offer avoided costs, the Commission

¹ *Order Re Establishment of Standard-Offer Prices and Programmatic Changes to the Standard-Offer Program*, Dockets 7873 and 7874, Order of 3/1/13. *See also* Docket 8817, Case No. 17-3935-INV, Case No. 18-2820-INV, and Case No. 19-4466-INV.

² Section 8005a(c)(2) requires the Commission to allocate the 127.5 MW cumulative capacity of the standard-offer program among different categories of renewable energy technologies. *See 2018 Programmatic Adjustments to the Standard-Offer Program*, Case No. 17-3935-INV, Order of 3/16/18.

annually determines the avoided costs that will be used for farm methane projects under the standard-offer program.

III. DISCUSSION

As required by Section 8005a(f)(3), we open this investigation to conduct a review of the pricing mechanism and avoided costs that will serve as price caps for use in the 2021 implementation of the standard-offer program. Our review also includes the avoided costs that are used for farm methane projects under the standard-offer program.

We are appointing a Hearing Officer to conduct the proceeding. Pursuant to Section 8005a(f), this matter will be conducted as a non-contested case proceeding.

As part of our review, we request participants to address the following issues:

- Pursuant to Section 8005a(f)(1), the Commission is required to use a market-based mechanism to obtain the plant capacity available under the standard-offer program, if it first finds that use of the mechanism is consistent with: (A) applicable federal law; and (B) the goal of timely development at the lowest feasible cost.

Participants are requested to address the recent order of the Federal Energy Regulatory Commission (“FERC”) regarding updates to its Public Utility Regulatory Policies Act (“PURPA”) regulations.³

- Pursuant to Section 8005a(f)(2)(B), the Commission has established avoided costs that serve as price caps for projects under the standard-offer program.

Participants are requested to review the existing established price caps under the standard-offer program and recommend any changes or updates. Any recommendations with respect to price caps shall include the analysis, spreadsheets, or documents relied upon to support the recommendations.

We adopt the following schedule for the proceeding.

December 11, 2020	Deadline for comments and recommendations on the pricing mechanism and avoided costs (including any analysis, spreadsheets, or documents relied upon to support recommendations).
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³ See Order No. 872, 172 FERC ¶ 61,041 (2020). The Commission is also aware that a legal challenge to the PURPA rule was filed in the Ninth Circuit Court of Appeals and that the FERC has issued an order indicating that further revisions to the PURPA rule may be forthcoming. *Qualifying Facility Rates and Requirements; Implementation Issues Under the Public Utility Regulatory Policies Act of 1978*, Notice of Denial of Rehearings by Operation of Law and Providing for Further Consideration, (Sept. 17, 2020), Elibrary Accession No. 20200917-3139.

December 17, 2020	Workshop to discuss participants' comments and recommendations. (Separate notice will be issued to schedule workshop via video conference.)
January 7, 2021	Deadline for reply comments. Further process may be scheduled if needed.
Week of January 31, 2021	Tentative date for Hearing Officer's proposal for decision.

The Commission will establish a service list for this proceeding, which is not a contested case. Anyone interested in participating shall contact the Clerk of the Commission.

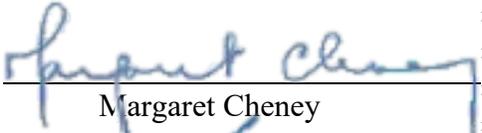
This case is being processed in the Commission's online document management system, known as ePUC, which can be accessed at <http://epuc.vermont.gov>. Information about how to use ePUC, including how to make a filing and how to search for documents, is available on the Commission's website at <http://puc.vermont.gov/epuc-information>.

IV. ORDER

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED by the Public Utility Commission ("Commission") of the State of Vermont that:

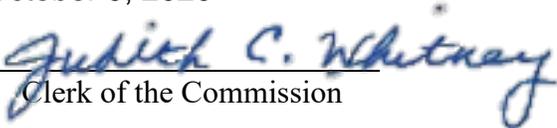
1. Pursuant to 30 V.S.A. § 8005a, an investigation is opened for the review of pricing mechanism and price requirements under the 2021 standard-offer program.
2. Pursuant to 30 V.S.A. § 8, Mary Jo Krolewski, Utilities Analyst, is appointed to serve as Hearing Officer in this proceeding.
3. The following schedule is adopted for this proceeding:
 - December 11, 2020 – Deadline for comments and recommendations on the pricing mechanism and avoided costs (including any analysis, spreadsheets, or documents relied upon to support recommendations).
 - December 17, 2020 – Workshop via video conference to discuss participants' comments and recommendations.
 - January 7, 2021 – Deadline for reply comments and any requests for further process.
 - Week of January 31, 2021 – Tentative date for Hearing Officer's proposal for decision (assuming no requests for further process).

Dated at Montpelier, Vermont, this 9th day of October, 2020.

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_____ Anthony Z. Roisman)	PUBLIC UTILITY
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)	
_____ Margaret Cheney)	COMMISSION
)	
)	
_____ Sarah Hofmann)	OF VERMONT

OFFICE OF THE CLERK

Filed: October 9, 2020

Attest: 
Clerk of the Commission

Notice to Readers: This decision is subject to revision of technical errors. Readers are requested to notify the Clerk of the Commission (by e-mail, telephone, or in writing) of any apparent errors, in order that any necessary corrections may be made. (E-mail address: puc.clerk@vermont.gov)

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