

STATE OF VERMONT  
PUBLIC UTILITY COMMISSION

Case No. 19-4466-INV

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Investigation to review the avoided costs that serve as prices for the standard-offer program in 2020	
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Order entered: 11/07/2019

**ORDER OPENING INVESTIGATION, ESTABLISHING SCHEDULE,  
AND NOTICE OF WORKSHOP**

**I. INTRODUCTION**

Pursuant to 30 V.S.A. § 8005a(f)(3), the Vermont Public Utility Commission (“Commission”) hereby opens an investigation to review the avoided costs that serve as prices for the standard-offer program in 2020.

In this Order, we appoint a Hearing Officer to address the review of standard-offer prices. In addition, we establish a schedule for the proceeding.

**II. BACKGROUND**

Pursuant to Section 8005a(f)(3), the Commission is required to annually review the established avoided costs under the standard-offer program. In addition, 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.

On March 1, 2013, the Commission established, pursuant to Section 8005a(f)(1), a request for proposal (“RFP”) mechanism to determine the standard-offer projects that will fill annual plant capacity available under the program, and directed the Standard Offer Facilitator,<sup>1</sup> by April 1 of each year, to issue an RFP to solicit standard-offer projects to meet the requirements of Section 8005a(c).<sup>2</sup> The 2013 Order also established technology-specific avoided costs to serve as price caps on the standard-offer projects solicited through the RFP.

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<sup>1</sup> VEPP Inc. serves as the Standard Offer Facilitator under contract to the Commission. The 2019 RFP will be available at: <http://vermontstandardoffer.com>.

<sup>2</sup> *Order Re Establishment of Standard-Offer Prices and Programmatic Changes to the Standard-Offer Program*, Dockets 7873 and 7874, Order of 3/1/13 (the “2013 Order”).

On March 16, 2018, the Commission issued an Order establishing a mechanism for the allocation of available capacity for the remainder of the standard-offer program, pursuant to Section 8005a(c)(2).<sup>3</sup>

On January 16, 2019, the Commission issued an Order establishing the avoided costs that served as price caps on the standard-offer projects solicited in the 2019 RFP, pursuant to 30 V.S.A. § 8005a(f)(2).<sup>4</sup> The January 16 Order also determined the avoided costs that will serve as the prices for farm methane projects under the standard-offer program. Pursuant to Section 8005a(g), farm methane projects remain outside of the programmatic cap.

### **III. DISCUSSION**

As required by Section 8005a(f)(3), we open this investigation to conduct a review of the avoided costs that serve as prices caps on the standard-offer projects solicited in the 2020 RFP and the avoided costs that will serve as the prices for farm methane projects under the standard-offer program.

Past reviews of the standard-offer program have included the mechanism for the allocation of available capacity under the program, pursuant to Section 8005(c)(2). Based on our review of the results of the 2018 and 2019 RFPs, we are retaining the technology allocation used in 2019 for the 2020 RFP.<sup>5</sup> Accordingly, the investigation for the 2020 program will be limited to the review of the standard-offer prices.

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

To meet the 2020 requirements of Section 8005a(c), the Commission anticipates that it will direct the Standard Offer Facilitator to issue an RFP to solicit standard-offer projects by April 1, 2020. In recognition that the price caps inform the 2020 RFP, we are establishing the following schedule with the goal to provide potential bidders with advance notice of the RFP parameters.

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<sup>3</sup> *2018 Programmatic Adjustments to the Standard-Offer Program*, Case No. 17-3935-INV, Order of 3/16/18.

<sup>4</sup> *Order Re 2019 Standard-Offer Program*, Case No. 18-2820-INV, Order of 1/16/19.

<sup>5</sup> For the 2019 RFP, the Commission adopted a technology allocation under which the Developer Block included a Price-Competitive Developer Block that was available to projects of any technology category, awarded on bid price. The remainder of the Developer Block capacity was allocated to the Technology Diversity Developer Block which was allocated on an equal basis to non-solar technology categories (except landfill gas), awarded on bid price within each category.

November 30, 2019	Deadline for comments and recommendations on avoided-cost prices (including any cash-flow spreadsheets and any documents relied upon to support recommendations).
December 5, 2019	Workshop to discuss participants' comments and recommendations.
December 18, 2019	Deadline for reply comments. Further process, including an additional workshop, may be scheduled if needed.
Week of January 12, 2020	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. NOTICE OF WORKSHOP**

On Thursday, December 5, 2019, at 9:30 a.m., the Hearing Officer will convene a workshop to discuss the standard-offer prices. The workshop will be held in the Susan M. Hudson Hearing Room, located on the 3<sup>rd</sup> floor of the People's United Bank Building, 112 State Street, Montpelier, Vermont. The workshop will be recorded by a court reporter.

#### **V. ORDER**

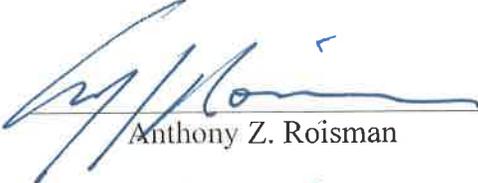
IT IS HEREBY ORDERED, ADJUDGED, AND DECREED by the Public Utility Commission ("Commission") of the State of Vermont that:

1. Pursuant to 30 V.S.A. § 8005a, an investigation is opened for the review of standard-offer prices.
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:

- November 30, 2019 – Deadline for comments and recommendations avoided-cost prices (including any cash-flow spreadsheets and any documents relied upon to support recommendations).
- December 5, 2019 – Workshop to discuss participants’ comments and recommendations.
- December 18, 2019 – Deadline for reply comments and any requests for hearing.
- Week of January 12, 2020 – Tentative date for Hearing Officer’s proposal for decision (assuming no requests for hearing).

4. Pursuant to 30 V.S.A. § 10(c), a workshop will be held in this matter on Thursday, December 5, 2019, commencing at 9:30 A.M., in the Susan M. Hudson Hearing Room, located on the 3<sup>rd</sup> Floor of the People's United Bank Building, 112 State Street, Montpelier, Vermont.

Dated at Montpelier, Vermont, this 7th day of November, 2019.

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

OFFICE OF THE CLERK

Filed: November 7, 2019

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](mailto:puc.clerk@vermont.gov))*

PUC Case No. 19-4466-INV - SERVICE LIST

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(for Vermont  
Department of Public  
Service)

Other Entities Receiving Notice:

Vermont Electric Distribution Utilities

E-mail list for Standard-Offer