

Resolution re Income Tax Resettlement

Whereas, VELCO became aware after its 2011 audit that it had over-collected revenues from its transmission customers under the VTA to pay for income tax expenses from January 2007 through December, 2010; and

Whereas, VELCO discussed this issue with affected transmission customers and those customers agreed with VELCO's calculation and proposed method of returning these funds, which return of funds was implemented in June, 2012; and

Whereas, it was subsequently determined that, since some Vermont utilities had substantially changed their Purchaser's Peak Billing Demand (PDP) since 2007, some transmission customers received less in the return of over-collected funds than they had been billed originally; and

Whereas, the transmission customers affected by the misallocation of income taxes returned agree that a resettlement of the over-collected funds should be implemented to distribute the funds more accurately, and further agree that the redistribution of funds among transmission customers reflected on Attachment A to this Resolution will accomplish that goal and is appropriate;

NOW THEREFORE, BE IT RESOLVED that:

1. VELCO should implement a redistribution of over collected funds among transmission customers as reflected in the Resettlement columns of Attachment A in its October billings under the VTA.

Approved and adopted the 17TH day of SEPTEMBER, 2012. I, the undersigned, hereby certify that the foregoing resolution was adopted by the Vermont Electric Distribution Utilities.

Following a roll call vote: Ayes: 4
 Nos: —
 Abstain: —



Operating Committee Chairman

	Income Taxes Collected		Income Taxes Returned		Resettlement
	Jan 2007 - Dec 2010		Jun 2012		
Burlington Electric Department	\$380,343	4.7%	\$377,380	4.6%	(\$2,962)
Green Mountain Power	\$6,309,228	77.4%	\$6,516,337	80.0%	\$207,109
State of Vermont	\$157,705	1.9%	\$148,579	1.8%	(\$9,126)
Stowe Electric Department	\$146,547	1.8%	\$133,876	1.6%	(\$12,671)
Vermont Electric Cooperative	\$524,129	6.4%	\$453,194	5.6%	(\$70,934)
Vermont Public Power Supply Authority	\$535,413	6.6%	\$430,898	5.3%	(\$104,515)
Washington Electric Cooperative	\$93,834	1.2%	\$86,933	1.1%	(\$6,900)
Total	\$8,147,198	100.0%	\$8,147,198	100.0%	(\$0)
					0.0%