

Resolution re: FERC Orders 531 and 531A

Whereas, the revenue requirement for Regional Network Service that VELCO provides is calculated using the same single base return on equity (ROE), which base ROE has been 11.14 percent since October, 2006;

Whereas, pursuant to the 1991 Vermont Transmission Agreement (“VTA”), VELCO has been collecting revenue from the distribution utilities (DUs) which factored in a base ROE of 11.14 percent for Regional Network Service revenue since October 2006;

Whereas, on October 16, 2014, the Federal Energy Regulatory Commission issued Order 531A (*Martha Coakley, Mass. Attorney Gen. v. Bangor Hydro-Elec. Co.*, Docket No. 11-66) and reduced the base ROE to 10.57 percent;

Whereas, pursuant to Order 531A, the 10.57 percent ROE applies retroactively (“refund”) during a 15 month period running from October 1, 2011 through December 31, 2012 (the “refund period”); and

Whereas, the refund will require adjustment to the amounts collected from the DUs under the 1991 Vermont Transmission Agreement (“VTA”) applying the monthly allocators that were in effect during the refund period.

NOW THEREFORE, BE IT RESOLVED that:

VELCO should under the VTA implement a collection of under-collected funds among transmission customers for the refund period applying the monthly allocators that were in effect during the refund period.

Approved and adopted the ____ day of _____, 2014. I, the undersigned, hereby certify that the foregoing resolution was adopted by the Vermont Electric Distribution Utilities.

Following a roll call vote: Ayes: _____

 Nos: _____

 Abstain: _____

Operating Committee Chairman