

STATE OF VERMONT  
PUBLIC UTILITY COMMISSION

Case No. 18-0313-TF

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| Petition of Vermont Gas Systems, Inc., for approval of a new tariff implementing the Renewable Natural Gas program |  |
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Order entered: 3/8/2018

**ORDER APPROVING TARIFF**

On January 30, 2018, Vermont Gas Systems, Inc. (“VGS”) filed a petition for approval of a new tariff implementing the Renewable Natural Gas (“RNG”) program approved by the Vermont Public Utility Commission (“Commission”) in Docket No. 8667. In that Docket, the Commission required VGS to file a tariff implementing the RNG program when it has “procured RNG supply in amounts reasonably estimated to be sufficient to meet customer demand.”<sup>1</sup> In this Order, the Commission approves the new tariff, marketed under the name EcoGas, with an effective date of bills rendered on and after March 15, 2018.

VGS states that it has executed an RNG supply contract with deliveries scheduled for 2018 and that two additional contracts are being negotiated for deliveries beginning in 2019. VGS is proposing to set its initial RNG adder at \$1.1749/Ccf, which represents a five-year blended rate based on the three RNG supply arrangements. VGS intends to account for the difference between the cost of RNG supply and the RNG adder as a regulatory asset within gas costs. As additional lower-cost supply is added to the portfolio, the regulatory asset balance will be recovered from EcoGas participants, with the goal of fully reducing the balance by the end of five years. Accordingly, VGS states that the RNG program will be rate-neutral to VGS and its non-RNG customers.

On February 27, 2018, the Vermont Department of Public Service (“Department”) filed a letter recommending that the Commission approve the tariff without a hearing or further investigation. The Department states that the tariff filing and proposed accounting treatment comply with Vermont rate-setting practices, policies, precedents, and statutes.

<sup>1</sup> Docket 8667, Order of 9/6/17 at 13.

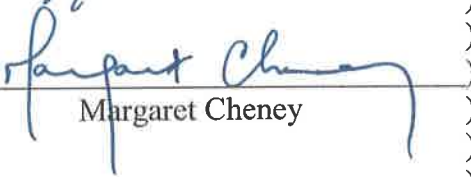
Based on the foregoing, we hereby approve VGS's proposed RNG tariff to be effective on a bills-rendered basis beginning on March 15, 2018. Recovery of any regulatory asset balance at the end of the fifth year would need to be approved by the Commission in a future proceeding.

**SO ORDERED.**

Dated at Montpelier, Vermont this 8th day of March, 2018.

  
Anthony Z. Roisman

) PUBLIC UTILITY

  
Margaret Cheney


) COMMISSION

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Sarah Hofmann

) OF VERMONT

OFFICE OF THE CLERK

Filed: March 8, 2018

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) or any apparent errors, in order that any necessary corrections may be made. (E-mail address: puc.clerk@vermont.gov)*

*Appeal of this decision to the Supreme Court of Vermont must be filed with the Clerk of the Commission within 30 days. Appeal will not stay the effect of this Order, absent further order by this Commission or appropriate action by the Supreme Court of Vermont. Motions for reconsideration or stay, if any, must be filed with the Clerk of the Commission within 28 days of the date of this decision and Order.*

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