STATE OF VERMONT
PUBLIC SERVICE BOARD

Docket No. 7970

Petition of Vermont Gas Systems, Inc. for a certificate of public good, pursuant to 30 V.S.A. § 248, authorizing the construction of the "Addison Natural Gas Project" consisting of approximately 43 miles of new natural gas transmission pipeline in Chittenden and Addison Counties, approximately 5 miles of new distribution mainlines in Addison County, together with three new gate stations in Williston, New Haven and Middlebury, Vermont

FIRST SET OF INFORMATION REQUESTS SERVED UPON PETITIONER BY THE PUBLIC SERVICE DEPARTMENT

The Public Service Department (the "Department" or "PSD") by: Louise Porter and Timothy M. Duggan, Special Counsels, hereby serves the following First Set of Information Requests upon the Petitioner in this matter in accordance with Public Service Board Rule 2.214 and V.R.C.P. 33 and 34, and requests that Petitioner answers the requests in accordance with V.R.C.P. 33 and 34 and deliver its answers and all requested documents and materials to the Department's offices in Montpelier not later than **May 3, 2013**. Petitioner is requested to provide three complete copies of all documents. Petitioner is also requested to provide a copy of its answers in electronic format, that is, Word or other format readable by the Department, and to provide any spreadsheets in electronic format.

INSTRUCTIONS

1. Reproduce the request being responded to before the response per V.R.C.P. 33.

2. Responses to any and all Department requests that are contained herein or that may be filed later should be supplied to the Department as soon as they become available to Petitioner. That is, Petitioner should not hold answers to any requests for which they have responsive data, documents, etc. until responses to any or all other requests are compiled.

3. V.R.C.P. 33 requires the response to each request to be made under oath by a person competent to testify concerning the response and all documents and exhibits produced as part of the response. With respect to each request, please state (1) the name(s) and title(s) of the person or persons responsible for preparing the response; and (2) the administrative unit which maintains the records being produced or maintains the data from which the answer was prepared; and (3) the date on which each question was answered.

4. Where information requested is not available in the precise form described in the question or is not available for all years (or other periods or classifications) indicated in a series of years (or other periods or classifications), please provide all information with respect to the subject matter of the question that can be identified in Petitioner's workpapers and files or that is otherwise available.

5. These requests shall be deemed continuing and must be supplemented in accordance with V.R.C.P. 26(e). Petitioner is directed to change, supplement and correct its answers to conform to all information as it becomes available to Petitioner, including the substitution of actual data for estimated data. Responses to requests for information covering a period not entirely in the past (or for which complete actual data are not yet available) should include all actual data available at that time and supplementary data as it becomes available.

6. Wherever responses include estimated information, include an explanation (or reference to a previous explanation) of the methods and calculations used to derive the estimates.

7. Some of the Department's requests may make particular reference to a portion of Petitioner's filing. Notwithstanding this specific direction, these items should be understood to seek discovery of all information available to Petitioner that is responsive to the questions stated.

8. "Identify," when used in connection with natural person(s) or legal entities, shall mean the full name and current business address of the person or entity.

9. "Document," as used herein, shall be construed as broadly as possible to include any and all means and media by which information can be recorded, transmitted, stored, retrieved or memorialized in any form, and shall also include all drafts, versions or copies which differ in any respect from the original. All spreadsheets provided must have all formulae intact and accessible.

10. "Petition," as used herein, means Petitioners' petition filed with the Vermont Public Service Board in this docket, unless the context indicates otherwise.

11. With respect to each document produced by Petitioner, identify the person who prepared the document and the date on which the document was prepared.

12. If any interrogatory or request requires a response that Petitioner believes to be privileged, please state the complete legal and factual basis for the claim of privilege, provide the information required by the 5/16/95 order in Docket No. 5771 and respond to the parts of the interrogatory or request as to which no privilege is asserted.

13. If any interrogatory or request is objected to in whole or in part, please describe the complete legal and factual basis for the objection, and respond to all parts of the interrogatory or request to the extent it is not objected to. If an objection is interposed as to any requested documents, please identify the document by author, title, date and recipient(s), and generally describe the nature and subject-matter of the document as well as the complete legal and factual basis for the objection.

14. To expedite the discovery process and the resolution of this docket, Petitioner should contact the Department as soon as possible, and prior to the above deadline for response, if it seeks clarification on any of these information requests.

15. The Department reserves the right to submit additional information requests to Petitioner.

INTERROGATORIES AND REQUESTS TO PRODUCE

1. In pre-filed testimony, Mr. Heintz states the normal transmission line pressure is 400 psi at the inlet to a distribution regulator station. Pre-filed Testimony of John Heinz at p. 19. Will that be the normal maximum operating pressure (MOP) for the transmission line?
    a. Will the normal MOP change between winter and summer and if so what are the typical pressures for each season?
    b. If there is further expansion of the gas transmission system, will the MOP be changed?
    c. If the MOP is changed on further expansion, what will be the new normal MOP in the summer and in the winter?
2. Are there any High Concentration Areas (HCA) on the transmission line?
    a. If yes, where are they located by mile post and description?
    b. If there are HCAs on the transmission line, what method was used to identify them?

3. Are there are any hard to evacuate locations (such as schools, licensed day care, licensed elder care, prisons, hospitals, etc.) along the transmission line?
    a. If yes, what is the distance from the centerline of the pipeline to each identified site and what is the location of each by both mile post and description?
    b. If no, how far on both sides of the pipeline did VGS check for these identified sites?
4. Is VGS planning to do anything to reduce the likelihood and/or consequences of an incident near a hard to evacuate location or in an HCA?
    a. If so, what are the actions being taken to reduce the likelihood and/or consequences of an incident?
    b. If not, why not?
5. In pre-filed testimony, Mr. Heintz states that either fusion bonded epoxy (FBE) or Pritec coating will be used. Pre-filed Testimony of John Heinz at p. 11. Has VGS decided which will be used? If only FBE was selected, please provide the basis for the selection.
6. Are there going to be any cased crossings on the transmission main other than those noted at railroad crossings in Mr. Heintz's testimony at pp. 33 and 34?
    a. Did VGS attempt to eliminate these cased crossings?
    b. If VGS tried to eliminate the cased crossings, what did VGS propose to the railroad?
    c. If not, why did VGS not attempt to eliminate this potential source of integrity issues?

7. Are there going to be any locations other than main line valves or gate stations where the transmission main will be above grade, such as on bridges? If yes, where are they located both by mile post and description?
8. Has VGS checked to determine if any farms that it plans to cross are currently using deep tilling equipment and/or plan to use such equipment?
    a. If yes, did VGS find any such farms and where is their location by both mile post and description? What is the depth of cover for farms that use deep tilling techniques?
    b. If no, why not since the normal depth of cover may not provide sufficient clearance to farm equipment?
9. What are the quality control procedures that VGS is using to procure the steel for the pipe, the manufacture of the steel into pipe, and the coating of the pipe?
10. Is VGS planning to hire an inspection service to visit the pipe mill and the coating mill when the pipe is being produced?
    a. If yes, which service does VGS plan to use and to what specifications criteria will the facilities be inspected?
    b. If no, why not?
11. How is VGS preventing low yield strength steel from being used on this pipeline?
12. Is VGS going to use a caliper ILI device to check for out of round and expansion of the pipe after the post construction Subpart J hydrostatic test?
13. How many cathodic protection rectifiers is VGS going to use on the transmission pipeline, where are they located, and where are the ground beds (by mile post and description)?

14. What type of ground bed(s) is VGS going to use for the cathodic protection system?
15. What is the distance between electrical isolation points on the pipeline?
16. Are horizontal directional drill (HDD) sections going to be electrically isolated sections?
17. Are permanent or temporary ILI launchers and receivers going to be installed at each end of the expansion?
18. What testing is VGS going to perform to assure that all of its specifications were followed during construction?
19. How is VGS going to determine that no coating damage occurred during HDD operations?
20. Has VGS taken into account the proposed new regulations in the 2011 Advance Notice of Proposed Rule Making PHMSA issued for Part 192 of the Code of Federal Regulations (Docket No. PHMSA 2011-0023)?
    a. If so, what changes did VGS incorporate into its design and construction specifications?
    b. If not, why not?
21. With the pipeline crossing under the HVAC towers multiple times, what is the AC corrosion mitigation plan and is VGS going to test for AC interference currents on the pipeline?
22. Is there any plan to periodically test the pipeline for AC and DC interference currents?
23. Will VGS be performing a coating holiday inspection on the pipeline after it is installed?
24. Does VGS plan to do acceptance testing of the cathodic protection system and any other facilities after installation?

25. Is VGS performing any actions or design criteria that exceed either Vermont or PHMSA (Part 192) minimum safety standards besides using higher safety factors in Class 1 and Class 2 areas? In answering this question, please refer to the pre-filed testimony of John Heinz at p. 11 and Jean-Marc Teixeira at p. 15.
26. In pre-filed testimony, Mr. Teixeira states that VGS will be running an internal inspection device (ILI) every seven years on the entire Addison Expansion pipeline. Pre-filed testimony of Jean-Marc Teixeira at p. 20, lns. 17-21. What type(s) of ILI inspection devices does VGS plan to use?
27. Please provide a schematic of the piping, valve locations, the control lines, and devices for each of the regulator or gate stations (if the stations are identical, state so and only one need be furnished).
28. Does VGS plan to take intermediate pressure reduction before the final regulator in each gate station?
29. Are automatic or remote control valves being installed at each gate station and, if so, which valves are these? If the gate station valves are automated, what is the failure mode on loss of power or communications?
30. What method of communication between the gate stations and a control room is VGS going to use (dedicated phone, cell, satellite, etc.)?
    a. Are there any provisions for a back-up if the primary communications method fails?
    b. If so, what is it and why was it chosen?

31. Please provide the O&M procedures for the gate station regulators and associated control equipment. How often are internal inspections going to be performed on the regulators?
32. How is VGS going to prevent the regulator control systems from freezing in the winter?
33. What happens when a heater goes down in the winter?
34. Has VGS considered installing "farm taps" or "baby gates" along the transmission route to serve additional customers?
    a. If yes, why are they not being used to supply customers along the route?
    b. If no, why not?
35. What is the MOP of the distribution systems being installed? Will there be a summer and a winter MOP and if so what are the pressures?
36. What are the low temperature limits on the distribution mains from the gate stations?
37. What method of joining is going to be used on the mains, on the services, and on the risers to the meter bar?
38. Will excess flow valves be used on the new systems?
39. What methods of installation is VGS planning to use, open trench, HDD, boring, etc. or a combination and what is the criteria for determining which method of installation is being used?
40. Will each customer have a separate service connection?
41. In pre-filed testimony, Mr. Gilbert states: "A major increase in the North American supply of natural gas has driven natural gas prices down while the prices of alternative fuels like oil and propane have continued to increase, presenting the opportunity to lower Vermonters' fuel costs." Pre-filed Testimony of A. Donald Gilbert at p. 3, lns. 18-21.

Please provide support for this statement, including any studies, reports, and/or VGS estimates related to the availability of gas supplies to VGS customers, as well as any studies, reports, or information related to gas, propane and fuel oil prices on long term basis.

42. In pre-filed testimony, Mr. Gilbert relies on a November 2012 Department of Public Service report to claim that "[n]atural gas is significantly less expensive than other fuels." Pre-filed Testimony of A. Donald Gilbert at p. 4, lns. 12-15. Please provide any and all studies, reports, or other information consulted discussing the cost comparison of gas, fuel oil and propane on a long-term basis. Please indicate how long VGS expects the natural gas price advantage would last, and explain the reasoning for this expectation.

43. In pre-filed testimony, Mr. Gilbert states: "[S]upply reserves are running over 100 years greater than the demand." Pre-filed Testimony of A. Donald Gilbert at p. 5, lns. 11-12. Please provide support for this statement and include in such support the forecasted incremental cost of extracting these reserves on an annual basis, as well as the natural gas price needed to make such extractions economical.

44. In pre-filed testimony, Mr. Gilbert sets forth the economic benefits of building an eight-mile distribution main extension to serve customers in Jericho, Vermont. Pre-filed Testimony of A. Donald Gilbert at p. 7, lns. 18-22. Please provide complete support and detailed calculations for these asserted benefits, including:

    a. The fiscal year-by-fiscal year numbers on which the asserted benefits are based;

    b. All assumptions made and relied on in calculating the listed savings;

    c. The expected costs to customers of taking gas service from VGS, as well as the

estimated costs of converting appliances from oil and propane to natural gas;

d. The actual or estimated impact on the VGS rates to other customers caused by the extension of service to Jericho.

45. In pre-filed testimony, Mr. Gilbert sets forth the environmental benefits of building an eight-mile distribution main extension to serve customers in Jericho, Vermont. Pre-filed Testimony of A. Donald Gilbert at p. 8, lns. 3-4. Please provide complete support and detailed calculations, along with all assumptions, in support of the asserted reductions in emissions.

46. In pre-filed testimony, Mr. Gilbert discusses the benefits of ultimately providing service to International Paper, claiming that this Project will reduce the mill's energy costs, improve its economic vitality, and support over 1,200 jobs in the region. Pre-filed Testimony of A. Donald Gilbert at p. 10, lns. 7-8.

a. Please describe the extent to which such benefits can be attributed solely to this Project.

b. Please describe the extent to which such benefits would rely on potential future pipeline expansions.

c. Taking into account the uncertainty of a potential future pipeline expansion, please provide a detailed breakdown of asserted benefits to International Paper from this Project as compared to any future projects.

d. Please indicate how many of the 1,200 jobs supported by this Project are or will be in Vermont or are currently held by Vermont residents.

47. In pre-filed testimony, Mr. Gilbert states that VGS is proposing to use a larger and longer pipe than would otherwise be needed for this Project in order to serve International Paper in the future. Pre-filed Testimony of A. Donald Gilbert at p. 11, lns. 9-10.

    a. Please provide detailed cost data showing the increase in overall Project cost resulting from the use of the larger/longer pipe than would otherwise be necessary.

    b. Please indicate how this incremental cost will be paid for in advance of service to International Paper and identify who will pay such costs.

    c. Please explain how this incremental cost will be paid for in the event that VGS does not complete future sections of pipeline to connect with International Paper.

    d. Please set forth all contingencies, including time constraints, that VGS must meet in this proceeding and in any future proceeding to satisfy the terms of any and all contracts or agreements with International Paper. To the extent VGS has entered into any agreements regarding the development of pipeline infrastructure and/or cost sharing that have not been submitted in this proceeding, please provide them.

48. In pre-filed testimony, Mr. Gilbert asserts that the Project will save Addison County homes and businesses $200 million over the next 20 years. Pre-filed Testimony of A. Donald Gilbert at p. 12, lns. 12-13.

    a. Please provide detailed calculations, along with assumptions, in support of this assertion. In doing so, please provide all "business-as-usual" and alternative scenarios considered, with associated data and analysis.

    b. Please provide, and to the extent possible quantify, the anticipated benefits/costs to Chittenden and Rutland Counties associated with the Project.

c. Please provide, and to the extent possible quantify, the anticipated overall benefits/costs to the State of Vermont associated with the Project.

49. In pre-filed testimony, Mr. Carr states that based on a prior Board order, he uses a 3.0 percent discount rate to quantify direct benefits (fuel bill savings) in present value terms. Pre-filed Testimony of Jeffrey Carr at p. 20, lns. 18-21.

a. Please explain why the discount rate used in the case cited (which pertained to an energy-efficiency cost-effectiveness screening tool) should be used to calculate benefits in the instant case.

b. Please provide any and all independent studies and analyses used or consulted by Mr. Carr in support of his use of a 3.0 percent discount rate.

c. What is the range of discount rates that Mr. Carr considers to be reasonable to calculate present value of future benefits?

50. In pre-filed testimony, Mr. Carr states that his analysis of the Project assumes service to International Paper and would therefore have "no additional rate impact." Pre-filed Testimony of Jeffrey Carr at p. 12, lns. 20-22. Please explain this statement and provide all analyses in support of this conclusion. Please also explain the time horizon evaluated in making this statement.

51. In pre-filed testimony, Mr. Carr states that VGS ran a scenario in which service to International Paper does not occur, International Paper does not contribute to Project costs, and the resulting impact would be a 2.6 to 4.5 percent rate increase in 2015. Pre-filed Testimony of Jeffrey Carr at p. 13, lns. 1-6. Please provide the analysis in support of these estimated rate increases.

52. Please provide the following information supporting the data and calculations contained in Exh. Petitioner JC-2 and JC-3:

    a. Please provide all the data and assumptions used in conducting the Present Value (PV) analysis.

    b. Did Mr. Carr conduct the PV analysis based on different cost assumptions? If yes, please explain and provide a copy of the summary of such analysis along with all data and assumptions. If no, please explain the reasons for not doing so.

    c. Do Exh. Petitioner JC-2 and JC-3 include the impact of job losses and negative economic impact Mr. Carr discussed on Page 11 of his testimony? If yes, please indicate where and how these factors have been included in Exh. JC-2. If no, please explain the reasons for not doing so and provide a PV analysis incorporating the job losses and negative economic impact.

    d. Do Exh. Petitioner JC-2 and JC-3 include the customers' cost to convert to gas, need for increased system capacity to serve new loads, the amounts which International Paper is not required to pay as per the Facility Development Agreement, and the potential of non-recovery of costs from International Paper due to financial issues and/or bankruptcy protection? If yes, please explain and provide all supporting data and assumptions. If no, please explain the reason for not doing so.

53. Mr. Teixeira refers to an analysis of market demand in Addison County and beyond, as well as an assessment of that analysis by Clough Harbour & Associates. Pre-filed Testimony of Jean-Marc Teixeira at p. 4-7.
    a. Please provide Mr. Teixeira's design-day methodology and analysis, including support and underlying data and analysis of his determination of 93 effective degree-days (EDD).
    b. Please provide the basis for Mr. Teixeira's assumption that peak hour load is 5 percent of the peak day load, and supporting documentation for his assertion that such an assumption is common in the industry.
    c. Are the projected peak day demands based on 93 EDD? If not, at what EDD are these loads computed?
    d. Please provide the actual peak day demands for VGS's existing system for the years 2007 through 2012. Also please provide all the peak day demand forecasts made for the years 2007 through 2012. Please provide actual and projected peak day demands with and without interruptible loads.
    e. Please provide VGS's current and projected peak day capabilities.
54. In pre-filed testimony, Mr. Lyons refers to the usage by International Paper of approximately 2.5 Bcf, which represents a 30 percent increase over VGS's current sales volumes. Pre-filed Testimony of Timothy S. Lyons at p. 5, lns. 17-21.
    a. Please provide the detailed data and calculations that support these figures.
    b. Please calculate the estimated increase in the Peak-Day Demand that will result from the addition of the International Paper load.

c. Please reconcile and explain these figures with:

   i. the limits placed on International Paper service in its Interruptible Sales Agreement at section 3 (Exh. Petitioner TSL-8), and

   ii. the VGS 2013 Peak-Day Demand of 65,367 Mcf as shown on Table 1, page 7 in pre-filed testimony of Mr. Teixeira.

d. Is it correct that the forecasted Total Peak Day Demands in Table 2, page 7 in pre-filed testimony of Mr. Teixeira do not include the International Paper load?

   i. If yes, please explain the reasons for not including the International Paper loads. Also, please provide the forecasted Peak Hour and Peak Day Demands that would include the International Paper loads.

   ii. If no, please explain how much the International Paper loads are included for each of the Years 2013-2017 in Table 2.

   iii. Do the Total Peak Day Demands include all the new communities to be served by the Project as explained on Pages 4-6 of Mr. Lyons' pre-filed testimony? If not, please provide the estimated Peak Day Demand that include these loads on a community-by-community basis.

55. In pre-filed testimony, Mr. Teixeira describes how VGS determined the appropriate piping configurations for the Project. Pre-filed Testimony of Jean-Marc Teixeira at pp. 8-9.

a. Given these criteria, will VGS have sufficient contracted capacity on its transmission system to serve the increased loads resulting from this Project alone? Will VGS have sufficient contracted capacity on its transmission system to serve the increased loads resulting from this Project as well as the subsequent extension

to International Paper? Please provide analysis in support of the response.

b. If the answer to one or both of these questions is no, please explain how VGS plans to acquire additional transmission capacity. In the event additional transmission capacity is needed, did Mr. Carr incorporate that cost in his present value analysis?

56. In pre-filed testimony, Mr. Teixeira asserts that VGS will have sufficient capacity to meet projected system peak-day demand. Pre-filed Testimony of Jean-Marc Teixeira at p. 10, lns. 13-15 and table 3.

a. If the Estimated Peak-Day Send Out is increased to include the International Paper load, will Total System capacity be sufficient to meet the Estimated Peak-Day Demands? If not, please explain how the Total System Capacity presented in Table 3 would be sufficient to meet the Estimated Peak-Day Demand which includes the International Paper load.

b. If the International Paper loads result in acquiring additional system capacity, what type of capacity does VGS plan to add? Please provide all the analyses related to the cost/benefit of different options of additional system capacity.

c. Please provide VGS's current pipeline capacity.

d. Please explain the reasons for adding 4,325 Mcf in 2014 while VGS is projecting an increase of only 768 Mcf in its Peak Day Send Out in 2014.

57. In pre-filed testimony, Mr. Lyons refers to incentives offered by the Petitioner to customers who purchase new heating systems. Pre-filed testimony of Timothy S. Lyons at p. 9, lns. 8-11.

a. Please provide the details with respect to the referenced incentives.

b. Please provide the actual costs related to each category of incentives offered during the Years 2010, 2011 and 2012. Also, please provide the projected amounts for each category for the Years 2013-2017.

c. Please describe how the costs related to these incentives have been recovered in the past.

58. In pre-filed testimony, Mr. Lyons refers to certain provisions of the Facilities Development Agreement (FDA) between the Petitioner and International Paper. Pre-filed testimony of Timothy S. Lyons at pp. 14-16 and Exh. Petitioner TSL-7.

a. Please describe who will be responsible for any actual costs in excess of the estimated costs set forth in Exhibit C of the FDA.

b. Section 8.1.4(ii) requires VGS to pay International Paper for its costs related to the Mill improvements. In the event VGS pays for such costs, would VGS recover such costs from its customers?

c. Exhibit E of the FDA provides that, in the event of the termination of the FDA by VGS or International Paper, International Paper only pays 50 percent of the Addison Extension Cost. In this event, would VGS recover 50 percent of the Addison Extension Cost from its customers?

d. Exhibit E of the FDA does not contain any provision for the recovery of the Addison Upgrade Facilities cost of $20 million from International Paper. How is VGS planning to recover this cost?

e. In the event of the default on the part of VGS without any fault on the part of International Paper, what is International Papers' cost responsibility and would

VGS recover costs not recovered from International Paper from its customers?

f. Exhibit D of the FDA refers to the Company's Carrying Costs. Please describe the computation of the Company's Carrying Costs.

g. Exhibit F provides for the recovery of the unrecovered portion of 25 percent of the Addison Upgrade and the Addison Expansion Costs if the gas service is terminated prior to 13 years and nine months after the gas service to International Paper commences.

   i. Would VGS recover the remaining costs from its customers?

   ii. If the Service is terminated after 13 years and 9 months, does International Paper pay any amount related to the Addison Upgrade and Addison Expansion? If no, why not and would VGS recover unrecovered costs from its customers? If yes, how much would International Paper pay for such costs?

59. In her testimony, Ms. Simollardes asserts a number of economic benefits that will result from the Project. Pre-filed Testimony of Eileen Simollardes at p. 3. Please provide data and workpapers, along with any analyses, assumptions, and computations, supporting the asserted savings set forth in lines 1-2, 13, 14 and 15 of page 3 of Ms. Simollardes' testimony.

60. In pre-filed testimony, Ms. Simollardes describes how VGS proposes to use the System Expansion and Reliability Fund (Fund) to supplement revenues generated from the new markets to cover the cost-of-service associated with serving the Addison market. Pre-filed Testimony of Eileen Simollardes at p. 8-9.

a. Please provide data and workpapers used in support of the estimated Fund deposits, withdrawals, and balances contained in Exh. Petitioner EMS-2.

b. Please provide and fully explain the method VGS proposes for determining each withdrawal and for seeking Board approval for each withdrawal.

c. Please provide the per-unit gas cost assumed for each of the years in Exh. Petitioner EMS-2 and the per-unit gas cost recovered from ratepayers. Please provide the basis and analysis that support these per unit costs.

d. Please provide actual customer deposits to the Fund for 2012 and to-date for 2013.

e. The total withdrawal from the Fund shown in Exh. Petitioner EMS-2 is approximately $55.0 million. How does VGS plan to finance the additional Project cost and at what cost is this financing is expected? Also, please describe how the additional cost would be recovered by VGS.

61. Is Ms. Simollardes testimony on page 9, lns. 16-20 intended to represent an official request for approval to use the Fund to "supplement the revenues that will be generated from the new markets, including IP, necessary to cover the cost-of-service associated with serving the Addison market?" If so, what alternatives, if any, has VGS considered in using the Fund?

a. Please describe the alternatives considered and explain fully with supporting detail why the options were not selected and the advantages of the option selected.

b. Under each alternative, including the selected option, please describe how the use of the Fund would be accounted for and how it would be reflected in a cost of service.

62. Is Ms. Simollardes testimony on page 9, lns. 16-20 intended to represent an official request for approval to withdraw funds from the Fund as shown in Exh. Petitioner EMS-2?

63. In pre-filed testimony, Ms. Simollardes states that if the expansion to International Paper does not occur, the Project would require between a 2.7 and 4.5 percent rate increase in 2015. Pre-filed Testimony of Eileen Simollardes at p. 8, lns. 7-8. Please provide all data, information and worksheets that were relied upon to support of these percentage rate increases.

Dated at Montpelier, Vermont this 19th day of April 19, 2013.

VERMONT PUBLIC SERVICE DEPARTMENT

By:_____
Louise Porter
Special Counsel

cc: Docket No. 7970 Service List