

**STATE OF VERMONT
PUBLIC SERVICE BOARD**

Petition of Washington Electric Cooperative, Inc.)
(“WEC”), for Approval of Rate Design and) **No. _____ TRF**
Tariff Changes pursuant to 30 V.S.A. §§ 225 - 226)
Effective June 17, 2019)

PETITION

Washington Electric Cooperative, Inc. (“WEC”), through its attorneys, Tarrant Gillies & Richardson, petitions the Vermont Public Utility Commission (“PUC” or “Commission”) to approve WEC’s proposed rate design and revised tariffs. 30 V.S.A. §§ 225 and 226. In support of this Petition, WEC states the following:

1. WEC is a duly organized public service cooperative formed under 30 V.S.A. Ch. 81 and a not-for-profit corporation. WEC's offices are in East Montpelier, Vermont. WEC is a "company" as defined by 30 V.S.A. § 201 and as such is subject to the PUC's jurisdiction pursuant to 30 V.S.A. § 203.

2. WEC's proposed rate design is, in sum, formulated to encourage WEC members to displace fossil fuel energy uses with electricity from renewable sources while still emphasizing the current design goals of energy efficiency and conservation. Electricity provided by WEC is 100% from renewable sources and thus best suited to displace energy uses that rely on fossil fuels.

3. The goals and objectives of the proposed rate design furthers new goals and state initiatives. Lowering the energy portion of WEC's rates will lead to increased use of renewable electricity in place of fossil fuels uses. Combined with incentives offered in our programs, WEC proposes this rate design to meet the state-required Renewable Energy

Standard (RES). The RES's intent is to increase use of renewable electricity while combating the damaging effects of climate change. WEC's proposed rate design better aligns its rates with the new state initiatives.

4. More particularly, WEC seeks to retain an inclining-block rate structure for residential members, lower the low block from 200 kWh to 100 kWh, increase the monthly customer charge, and achieve various policy goals with the new design.

5. The proposed rate design is revenue neutral.

6. WEC performed a Fully Allocated Cost of Service Study ("COSS") that supports the proposed rate design and resulting tariff changes. The COSS is explained in detail in Jason Strong's testimony.

7. WEC performed substantial member outreach to seek input from members about the rate design.

8. This new rate design is just and reasonable for the reasons explained in the supporting pre-filed testimony.

9. In support of this Petition, WEC submits the following:

- Pre-filed Testimony of Patricia H. Testimony with the following exhibits:

Exhibit WEC 1-PR-1: Patricia H. Richards Resume
Exhibit WEC 2-PR-2: Rate Summary Exhibit.xls
Exhibit WEC 3-PR-3: Redlined and Final Tariff Sheets
Exhibit WEC 4-PR-4: 2019 Residential Rate Comparison.pdf
Exhibit WEC 5-PR-5: Hypothetical Residential Monthly Member.xls
Exhibit WEC 6-PR-6: 2016 RES and Farm Class Use v2.xls
Exhibit WEC 7-PR-7: Average Res Use WEC v GMP v EAP.xls
Exhibit WEC 8-PR-8: WEC Member Focus Group on Rate Design.ppt
Exhibit WEC 9-PR-9: Coop Current Articles

- Pre-filed testimony of Jason A. Strong with the following exhibits:

WEC 10-JAS-1: Cost of Service Study
WEC 11-JAS-2: Cost of Service Study Cost-Based Rates
WEC 12-JAS-3: Proposed Rate Design
WEC 13 JAS-4: Incremental Cost Analysis
WEC 14 JAS-4: Jason A. Strong Curriculum Vitae

10. WEC seeks approval of the proposed rate design and tariffs effective June 17, 2019. However, WEC will suspend this proposed rate design pending the PUC's approval if an investigation is opened.

11. A proposed notice to WEC members is attached to this petition. This proposed will be circulated to WEC members. The specific method of circulation will be filed along with the final notice.

WHEREFORE, based upon the foregoing, and pursuant to 30 VSA §§ 225 and 226, WEC respectfully requests that the Commission approve the revised rate design and revised tariffs, and grant such other relief that is just and reasonable.

May 1, 2019

WASHINGTON ELECTRIC COOPERATIVE,
INC.



By: _____

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cc: Vermont Department of Public Service