

**STATE OF VERMONT
PUBLIC UTILITY COMMISSION**

Case No. 24-3432-TF

Tariff filing of Vermont Electric Cooperative Inc. for approval of a 4.84% rate increase to be effective on January 1, 2025	
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FIRST SET OF INFORMATION REQUESTS
SERVED UPON VERMONT ELECTRIC COOPERATIVE
BY THE VERMONT DEPARTMENT OF PUBLIC SERVICE

The Vermont Department of Public Service (“Department” or “DPS”), by its counsel, Ben Civiletti and Matthew Bakerpoole, hereby serves this First Set of Information Requests upon the Vermont Electric Cooperative, Inc. (“VEC”), in accordance with Vermont Public Utility Commission (“Commission”) Rule 2.214, in the above-referenced matter. The Department requests that VEC answer the requests herein, conforming to Commission Rule 2.214 and 2.230, and deliver its answers and all requested documents and materials to the Department no later than **Thursday, February 13, 2025**. Please provide VEC’s answers in electronic format (i.e. Word document or other standard file form readable by the Department) and please provide any spreadsheets in an electronic format (i.e. Excel spreadsheet).

INSTRUCTIONS

1. Reproduce the request being answered above your response thereto, pursuant to Commission Rule 2.230(M).
2. Responses to any and all Department requests, either contained herein or filed subsequently, should be submitted to the Department as soon as VEC is able to provide an answer or production. In other words, VEC should not withhold a response to any requests for which it has responsive data, documents, etc. until VEC is able to fully answer all pending requests when a reply is forthcoming for some questions.
3. Commission Rule 2.230(M)(3) requires the response to each request to be made under oath by a person competent to testify concerning the response, as well as all documents and exhibits produced as part of the response. When responding to each request please state: (1) the name(s) and title(s) of the person(s) responsible for preparing the response; (2) the administrative unit which maintains the records being produced or the data from which an answer was derived; and (3) the date upon which the question was answered.

4. Where requested information is unavailable in the exact format requested in the question, or is not available for the entire range (e.g. a span of time, such as years, or other periods and classifications) requested in a series, please provide all available information that is responsive to the subject matter of the question.

5. These requests shall be considered continuing and shall be supplemented and updated as provided for in Commission Rule 2.230(D). VEC must supplement, update, correct, and change its answers to be consistent with all relevant information as it becomes available to VEC. For example, actual data must be substituted for estimated data. Responses to requests for information regarding a period of time not entirely in the past (or for which complete actual data is yet to be available) should include all actual data available when requested and be supplemented with the remaining actual data as it becomes obtainable.

6. Whenever and wherever responses include estimated information please include an explanation, or reference to a previous explanation, of the methodology and calculations used to derive the estimates.

7. Some of the Department's requests may reference a particular portion of VEC's filing. Notwithstanding the specific citation, all such requests should be understood to seek all available information that is responsive to the question.

8. With respect to each document produced by VEC, please identify the person who prepared the document and the date on which it was prepared.

9. If any interrogatory or request necessitates a response that VEC believes is totally or partially privileged, please state the complete legal and factual basis for the claim of privilege as described in Commission Rule 2.230(A)(6) and respond to all parts of the interrogatory or request of which no claim of privilege is asserted.

10. 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 to which it is not objected. If an objection is made regarding any requested document(s), please identify the document by author, title, date, recipient(s), and generally describe the nature and subject matter of the document(s) in addition to providing the complete legal and factual basis for the objection.

11. To expedite the discovery process and the resolution of this case, if VEC wishes clarification on any of these information requests it should contact the Department as soon as possible and before the deadline for response indicated above.

12. The Department reserves the right to submit additional information requests to VEC.

DEFINITIONS

13. “Identify,” when used in reference to natural person(s) or legal entities shall be interpreted to request the full name and current business address of said person(s) or entities.

14. “VEC” as used herein, means the Vermont Electric Cooperative, Inc.

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

16. “Petition,” as used herein, means VEC’s Petition and associated attachments, including prefiled testimony and exhibits, filed in the above-captioned docket with the Vermont Public Utility Commission, unless context indicates otherwise.

17. “FY,” as used herein, means Fiscal Year.

18. “Department,” as used herein, means the Vermont Department of Public Service.

INTERROGATORIES AND REQUESTS TO PRODUCE

General Financial Information

Q.DPS.VEC.1-1. Please provide VEC’s audited financial statements for the most recent year available.

Q.DPS.VEC.1-2. Please provide a chart demonstrating rate changes over the past five years.

Q.DPS.VEC.1-3. Please provide bill samples for a residential and a commercial customer showing both the current proposed rate and the rate that was in effect prior to January 1, 2025.

Property Taxes

Q.DPS.VEC.1-4. Please refer to Exhibit VEC-CM-1, Schedule 6 (Admin & Gen), Field H29. Please provide copies of the 2024 property tax bills comprising the total reported expenses of \$5,040,974.

Payroll and Benefits

Q.DPS.VEC.1-5. Please refer to the Direct Prefiled Testimony of Caroline Mashia, Page 15, lines 7 through 10. Please confirm that the assumed 4% wage increase was affirmed by the union vote on November 14, 2024. If so, please also provide a copy of the newly ratified labor agreement with the IBEW to be effective January 1, 2025.

Q.DPS.VEC.1-6. Please refer to the Direct Prefiled Testimony of Caroline Mashia, Page 15, lines 18 and 19. Please provide a copy of the invoice or broker quote supporting a 17% increase in health care insurance premiums for 2025.

Maintenance / Operating Costs

Q.DPS.VEC.1-7. Please refer to Exhibit VEC-CM-1, Schedule 4 (Dist Ops & Mtce), lines 13-14, Outside Services – Pole Treatment and Testing and Asset Inspection and the discussion in the Direct Prefiled Testimony of Caroline Mashia, pages 9-11 indicating an adjustment to \$682,621:

- a. Ms. Mashia's testimony states on page 10, for the Asset Inspection Program: "In 2024, VEC signed a confidential contract with a drone technology firm, which conducted analysis of the drone flight data beginning in July, 2024 (i.e. outside of the test year). Costs for the Asset Inspection Program in the 2025 rate year include actual billed costs to date in 2024 plus an inflation factor of 3%." Please provide a narrative list of billed costs and calculations used to determine the amount requested for 2025.
- b. Page 11 of Ms. Mashia's testimony states: "As noted in our 2024 rate case, VEC was already behind on pole testing . . . Pole testing resumed in late 2023. In order to get back on track to the 10-year pole testing requirement, VEC must increase the number of poles that require testing from 5,500 annually to 7,477." What work has been performed since the last rate case (23-3943-TF)? Please provide an update on progress and costs, including support for the costs indicated in this current rate case (24-3432-TF).
- c. Referring to the pole testing described on page 11 of Ms. Mashia's testimony, please also provide support showing that the number of poles tested has increased from 5,500 to 7,477 as stated.

Vegetative Maintenance

Q.DPS.VEC.1-8. Veg Maintenance: Please refer to Direct Prefiled Testimony of Caroline Mashia, page 13: "For the 2025 rate year, VEC is requesting an increase of \$90,630 above the amount approved in 2024 rates. This amount is consistent with bids received from Vegetation Management contractors for work to be completed in 2025." Please provide signed quotes or similar documents from the contractor(s) supporting the requested amount, and information confirming that this cost will occur in the rate year.

Administrative and General Expense

Q.DPS.VEC.1-9. Please refer to Direct Prefiled Testimony of Caroline Mashia, page 14: “Aside from the allocated amounts, there is a modest increase -- \$30,267 -- in our legal fees over test year levels. This number includes the 5-year average for legal support costs of \$16,664 as well as anticipated additional legal costs for a 2025 Bond issuance of \$13,603. Note that we have included only one-fourth of the anticipated bond costs, to take into account the four-year term of the bond.” Please provide documents supporting the anticipated bond costs, including affirmative indications that the costs will occur and when costs are expected to occur.

Transportation

Q.DPS.VEC.1-10. Please refer to Prefiled Testimony of Caroline Mashia, page 17: “Our fleet replacement schedule includes replacing 1-2 bucket trucks each year. In 2025, we will purchase 3 bucket trucks that have been on order since late 2022. The fourth is the purchase of a bucket truck we are currently renting.” Please provide documentation indicating the purchase has happened and supporting the amount included in the cost of service.

Power Supply

Q.DPS.1-11. Referring to Exhibit VEC-DP-1, “Detailed Assumps” tab: column B shows VEC is using forward energy prices from November 5, 2024:

- a. How have forward prices changed since VEC's original filing back in November?
- b. How would these new forwards change adjusted rate year net purchased power costs?

Q.DPS.1-12. Referring to Hydro Quebec Assured Secondary Energy (ASE) discussed in the Direct Prefiled Testimony of Dan Potter at question/answer 14, VEC notes that “prices have not been finalized for 2025” as of the preparation of testimony. What was the final price determined for the rate year and how does the final price affect adjusted rate year net purchased power costs?

Q.DPS.1-13. Referring to the Direct Prefiled Testimony of Dan Potter at question/answer 16, VEC notes that the increase in Standard Offer volume is a combination of new facilities coming online, price increases for the output of some existing projects, and a change in VEC’s pro rata share of the output. Please provide supporting documents used to develop these estimates, including monthly production assumptions for new and existing projects.

Q. DPS.1-14. Referring to the Direct Prefiled Testimony of Dan Potter at question/answer 35, page 24, please provide broker quotes or other supporting documentation for estimated rate year REC prices of \$39.00 for the MA and CT Class I RECs.

Q.DPS.1-15. Referring to the Direct Prefiled Testimony of Dan Potter at question/answer 36, VEC anticipates needing to purchase approximately 191,157 additional Tier 1 RECs to meet Tier 1 RES requirements at a total price of \$716,837. Please provide broker quotes or other supporting documentation used to develop these estimates.

Q.DPS.1-16. Referring to the Direct Prefiled Testimony of Dan Potter at question/answer 37, please provide a copy of the contract VEC entered to sell 75,000 CES-E attributes from Seabrook nuclear facility output.

Dated at Montpelier, Vermont this 23rd day of January 2025.

VERMONT DEPARTMENT OF PUBLIC SERVICE

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