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STATE OF VERMONT
PUBLIC UTILITY COMMISSION

Case No. 24-1848-TF

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| Tariff filing of the City of Burlington Electric Department requesting a 5.5% rate increase to be effective for bills rendered on or after September 1, 2024 | |

**MOTION TO ALTER OR AMEND**

NOW COMES City of Burlington Electric Department ("BED"), by and through its attorneys, McNeil, Leddy & Sheahan, P.C., and pursuant to Vermont Public Utility Commission ("Commission" or "PUC") Rule 2.221(A), hereby moves the Commission to alter or amend its *Order Approving Rate Increase* in the above-captioned matter dated May 1, 2025 ("Order"), due to the recent discovery of evidence in the form of an error by BED that contradicts a portion of the Commission's Order, specifically Finding 11 and the discussion on page 5 of the Order concerning expenditures on District Energy.

As set forth in the Declaration of Emily Stebbins-Wheelock filed herewith, BED recently discovered that one of its responses to the Vermont Department of Public Service's ("Department's") discovery requests was in error. Specifically, the Department asked (Q.DPS.BED.1-22) whether any expenses related to District Energy were included in BED's Rate Year cost of service. Ms. Stebbins-Wheelock's response was: "$0.00. BED has not included any ratepayer spending related to District Energy in the rate year and BED does not expect to expend funds from any source on District Energy in the rate year." In actuality, while BED did not pay invoices for District Energy services during FY23, $100,460.31 of those expenses remained booked to FY23 as accrued BED operating expense, thereby making their way into BED's cost of service. This is material because the District Energy expenses are not

recurring, BED did not intend to request to recover them in rates going forward, and therefore they should have been removed from the rate year cost of service as a known and measurable change. If BED had recognized this error at the time of responding to the Department's discovery requests, the answer would have been: "$100,460.31 of ratepayer spending related to District Energy is included in the rate year. This amount should have been removed from the rate year cost of service, as BED does not expect to expend funds from any source on District Energy in the rate year."

The foregoing informed the Department's testimony filed in this matter and, in turn, the Commission's Finding 11 which provides: "BED has not included any ratepayer spending related to District Energy in the rate year, and BED does not expect to expend ratepayer funds on District Energy in the rate year." The error also is reflected in the following discussion at page 5 of the Order:

> As reflected in Finding 11 above, BED stated in discovery that it has not included any ratepayer spending related to the McNeil Generating Station District Energy in the rate year. BED further explained that it does not expect to expend ratepayer funds on District Energy in the rate year. Therefore, this issue does not affect the outcome of the Commission's determination on BED's proposed rate increase as part of this case.

BED submits that Finding 11 should be amended to account for this error as follows: "$100,460.31 of ratepayer spending related to District Energy was included in the rate year. This amount should have been removed from the rate year cost of service, as BED does not expect to expend funds from any source on District Energy in the rate year." The corresponding discussion at page 5 of the Order also needs to be amended as follows: "BED included $100,460.31 of ratepayer spending related to the McNeil Generating Station District Energy in the rate year that should have been removed from the cost of service. Removing these District Energy expenses from the requested revenue increase lowers the requested rate increase to

5.31%." Finally, the Order should be amended to reflect the final approved rate increase to be 5.31%.

BED proposes to return the overcollection to its ratepayers by recording a regulatory liability in the amount of the estimated rate year overcollection of $101,545.38. BED proposes to submit a proposal for use for these funds in its next rate filing, which BED is in the process of preparing for a planned filing by June 16, 2025 (for requested rate changes to take effect as a tariff adjustment on bills rendered on or after September 1, 2025).

Pending Commission resolution of this matter, BED has not yet implemented the 5.5% rate change approved by the Commission in its May 1, 2025 Order and does not intend to do so until resolution of this issue by the Commission. The 5.5% rate increase remains on customers' bill as a tariff adjustment at this time.

Once the Commission resolves this matter, per its normal practice, BED will update our tariffs and inform customers of the final approved rate change through a message on customer bills that explains the difference between the requested rate change and the final approved rates.

WHEREFORE, BED respectfully requests that the Commission amend the Order as set forth above as expeditiously as possible so that BED may calculate correctly its cost of service for its planned June 16, 2025 filing. If possible, BED would plan to implement new rates effective August 1, 2025, coincident with the rate year affected by this overcollection and prior to its next proposed surcharge being applied to bills rendered on or after September 1, 2025. Pursuant to Rule 2.206(K), BED consulted with the Department prior to filing this motion and understands it will file its position separately.

Dated at Burlington, Vermont this 29th day of May 2025.

Respectfully submitted,

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cc: Filed in ePUC

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