



Stowe Electric Department
PO Box 190
435 Moscow Rd
Stowe, VT 05672
802-253-7215
www.StoweElectric.com

Date: August 18, 2025

Holly R. Anderson
Clerk, Vermont Public Utility Commission
112 State Street
Montpelier, VT 05620-2701

Subject: Town of Stowe Electric Department Request for Approval of EV rates Pursuant to Section 33(e) of Act 55 of 2021.

Dear Ms. Anderson:

The Town of Stowe Electric Department (“SED”) submits for approval from the Vermont Public Utility Commission (“PUC or Commission”), SED’s flexible load management program for electric vehicles and electric vehicle Supply equipment (“Program”). The Program is submitted to satisfy SED’s statutory mandate pursuant to Act 55, Section 33. See Case No 23-3615-PET. When approved by the Commission, the Program will become part of SED’s 2026 Tier III Annual Plan. The Program utilizes SED’s time of use rates (“TOU”), which were submitted for Commission approval in case number 25-1792-TF. SED proposes an effective date of October 1, 2025, which coincides with the effective date of SED’s new TOU rates.

Background and Explanation of the Program:

Act 55, Section 33 directs utilities to encourage the efficient integration of electric vehicles (“EVs”) and electric vehicle supply equipment (“EVSE”) and to develop rates to support increased adoption of EV and EVSE. SED determined revised TOU rates and a demand management program to reduce EVs and EVSE electric loads during system peaks provides the most effective framework for SED to satisfy the statutory mandate. This Program will utilize TOU rates to encourage customers to shift discretionary EV charging to off-peak hours when electric rates are lower and the demand side management program provides a mechanism to curtail enrolled devices during system peak demand. This offers customers rates to encourage EV and EVSE adoption (by offering a lower TOU Rate for charging off-peak) and provides for managed charging through enrollment into a demand-side management program.

The Program is voluntary, requires a customer to remain enrolled in the TOU and Connected Homes platform for at least 12 months, and is available to SED’s residential and

commercial customers. The Program relies on the existing partnership between the Massachusetts Municipal Wholesale Electric Company's ("MMWEC") Connected Homes Platform and Virtual Peaker's distributed energy resource management platform ("VP"). The VP platform will send a signal to enrolled internet enabled smart devices to curtail use during peak events. The Connected Homes Platform manages customer enrollment and verification, peak forecasting, and peak usage curtailment calls. MMWEC's staff will determine when an ISO-NE and/or Vermont system peak is likely to occur and sends a signal through the VP platform to all enrolled devices to curtail usage. SED customers can enroll up to 3 EVs or 1 EVSE into this Program. If a device participates in the curtailment event, then the device's owner will receive a monthly rebate.

Incentives to SED Customers:

SED anticipates there are sufficient financial incentives through the TOU rate and financial incentives to encourage customers to modify their behavior and shift uncontrolled EV loads to off-peak hours. The additional incentives are designed to share some of the cost savings that SED will experience from reduced transmission costs with those customers responsible for curtailing their electricity demand. The Program provides up to three incentives for participating customers: a) SED's Tier III rebate for qualifying EVs and EVSEs; b) a one-time \$100 enrollment incentive to encourage participation (reimbursed to SED by Efficiency Vermont); and c) a \$10/month per qualifying device incentive to participate in peak usage curtailment events.

Methodology for Program Design

MMWEC's Connected Homes web platform has been operational since April 2020 and allows public power utilities to socialize the cost of utility and device enrollment into Virtual Peaker's demand-side management platform. This arrangement allows MMWEC to send a curtailment call to each device enrolled in Connected Homes to reduce demand during system peaks. Connected Homes allows public power utilities to leverage MMWEC's expertise to manage customer and device enrollment, peak prediction forecasting services, tracking device participation in curtailment calls, and customer service and technical assistance support. Member utilities are responsible for marketing and advertising to their customer base and providing the monthly incentive to qualifying customers. This Program design allows a small utility, like SED, to take advantage of a sophisticated program to support increased EV adoption and compensate EV owners for the value they provide to SED shifting charging to off-peak hours.

The fixed costs for the utility enrollment into Connected Homes are a one-time onboarding fee of \$2,655 paid to MMWEC, a \$7,500 annual fee paid to VP, and a \$3,500 annual fee paid to MMWEC. The annual fees are attributed to MMWEC and VP administrative costs to manage device enrollment and make peak curtailment calls. Variable costs to SED are the incentives paid to customers for participating in curtailment calls. MMWEC provided the following table to estimate customer participation in the Connected Homes Program based on their member utilities current participation levels.

Item	Year 1	Year 2	Year 3	Year 4	Year 5	
Estimated Devices	60	72	86	104	124	Participation based on the onboarding of a recent MLP.
Estimated Variable Fees	\$3,744	\$5,184	\$5,366	\$6,489	\$7,737	Variable fees are incentives paid out to customers, based on an estimated blend of device types.

MMWEC estimated the return on the investment to the utility, which is based on reducing the utility's electric load during system peak events, as follows:

	2025	2026	2027	2028	2029
Kw Impact	175	210	252	302	363
Transmission Savings	\$32,356	\$38,617	\$49,615	\$61,956	\$78,699
Capacity Savings	\$ -	\$6,534	\$8,777	\$10,833	\$15,663
Annual Savings	\$32,356	\$45,152	\$58,393	\$72,790	\$94,363
Cost	\$14,744	\$16,184	\$16,366	\$17,489	\$18,737
Net	\$17,612.	\$28,968	\$42,027	\$55,301	\$75,626

The table above shows Yr 1 costs as \$14,744 and a power supply savings of \$32,356. This shows a net positive program in Yr 1 as \$17,612 in savings to the utility. There are no capacity savings in Yr1, but this will add an additional cost savings to the utility. This Table also does not capture the potential cost savings to SED for curtailing demand during VELCO system peaks, which will add an additional cost savings to SED over the life of this Project. The table shows that over a 5-year timeframe the Program will provide a positive net benefit to SED and its customers.

Proposed Effective Date:

SED proposes October 1, 2025, as effective date for this Program. This date coincides with the effective date of the revised time of use rates that will allow customers the option to opt-into the time of use rates and this Program.

Conclusion:

SED requests the Commission to approve the Program with an effective date of October 1, 2025.

Thank you, and if you have any questions or need further information, please contact me.

Sincerely,

Michael N. Lazorchak
Manager Regulatory Affairs
Stowe Electric Department
PO Box 190
Stowe, VT 05672
Phone: 802.253.1510
Email: mlazorchak@stoweelectric.com