

STATE OF VERMONT
PUBLIC UTILITY COMMISSION

Case No. 25-1809-TF

Tariff filing of Town of Stowe Electric Department for approval of EV and EVSE Flexible Load Management Program effective on service rendered on or after October 1, 2025	
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PREFILED DIRECT TESTIMONY OF
PHILIP PICOTTE
ON BEHALF OF THE
VERMONT DEPARTMENT OF PUBLIC SERVICE

February 17, 2026

Summary: Mr. Picotte explains the Vermont Department of Public Service’s (“Department”) concerns with the proposed Town of Stowe Electric Department’s (“SED”) electric vehicle rate and suggests why the Vermont Public Utility Commission (“Commission”) should reject the rate as not meeting requirements of Act 55 of 2021. He raises specific concerns related to the rate complexity, the whole-premises time-of-use charges, and the very limited window available for customers to exit the rate.

I. INTRODUCTION

Q1. Please state your name and occupation.

A1. My name is Philip Picotte, and I am a Utilities Economic Analyst with the Department. My responsibilities include data analysis and policy analysis related to distributed energy resources, including Vermont's Energy Efficiency Utilities ("EEUs"), electric vehicle rates, and other utility programs.

Q2. Please describe your educational background and experience.

A2. I hold a Bachelor of Arts in geography and environmental studies from Middlebury College and a Master of Environmental Management from Yale University, where I focused on energy economics. I have worked at the Department on matters related to energy resources since September 2019. I previously worked on energy efficiency and related topics at Vermont Energy Investment Corporation and Consortium for Energy Efficiency.

Q3. Have you testified before the Commission before?

A3. Yes, I previously submitted testimony in Case Nos. 19-3272-PET and 22-2954-PET, both of which related to demand resources plans, and in Case No. 21-3707-PET, which addressed Green Mountain Power's multi-year regulation plan.

Q4. What is the purpose of your testimony?

A4. The purpose of my testimony is to explain the Department's concerns with the proposed SED plug-in electric vehicle rate ("EV rate" or "PEV rate") and suggest why the

1 Commission should reject the rate and request SED to file a new rate that will meet the
2 Legislative requirements for EV or PEV rates.
3

4 **Q5. Does your testimony include any Exhibits?**

5 A5. No.
6

7 **II. COMMENTS**

8 **Q6. Can you summarize the key elements of SED's proposed EV rate?**

9 A6. I will provide a brief summary from the customer's perspective given that other pre-filed
10 testimony in this case describes the EV rate in detail. Participation consists of enrolling in
11 a whole-premise time-of-use rate ("whole-home TOU rate" for brevity) and—
12 simultaneously—enrolling in a flexible load management ("FLM") program connecting
13 one's vehicle telematics to SED's service provider. The TOU rate has on- and off-peak
14 costs for winter, summer, and shoulder seasons, with on-peak periods consisting of
15 weekdays between 3:00 pm (1pm in summer) and 9:00 pm; the TOU rate applies to all
16 electricity consumption and not just the electric vehicle. The FLM program typically calls
17 two to three hour events five times per month when charging is prohibited; a customer
18 who opts out of the prohibition for two or more events receives a \$10 bill credit for that
19 month.

20 After signing up, a customer has a 30-day window every year to leave the
21 program and return to the normal rate. Customers receive a one-time \$100 incentive upon
22 enrollment. Participation requires participation in both the TOU rate and the FLM
23 program; collectively, I will call this the "EV rate."

Q7. What are the strengths of the proposed EV rate?

A7. The proposed EV rate has a number of positive attributes. For example, rather than just relying on critical events, a TOU rate can be used to encourage EV charging during off-peak times and smooth a utility's daily load.

I am also encouraged to see SED work with Massachusetts Municipal Wholesale Electric Company ("MMWEC") to join other New England utilities in offering an EV charging program that uses vehicle telematics. The telematics approach allows vehicle charging to be managed without relying on charging cables or home WiFi connections.

Q8. What are your concerns about the proposed EV rate?

A8. My concerns relate to the explicit requirements set by the Legislature for EV rates and whether SED's proposed EV rate will meet these requirements. Specifically, I'm concerned about the requirement (under Act 55 of 2021 or "Act 55") that EV rates must "encourage...participation in PEV rates" and that the PUC can only approve rates that "support greater adoption of PEVs," among other requirements. The reason for my concern is this: the EV rate program proposed by SED is so complex, demanding, and potentially punitive that it will discourage customer participation. The result of suppressed customer participation will be ineffective load control for EVs which will harm all customers, including EV drivers. An undesirable EV rate does not meet the Legislative requirement to "encourage...participation in PEV rates" or "support greater adoption" of electric vehicles by SED's customers.

Q9. How does the proposed EV rate lead to those concerns?

A9. The proposed EV rate and its two mandatory components—the whole-home TOU rate and the FLM program—are complicated and create customer difficulty in estimating whether their bills will go up or down. This is because the program as designed requires that customers weigh several factors.

Beneficial components include:

- a. potential \$10 per month bill credit (assuming peak event requirements are met); and
- b. a reduction in off-peak charges from \$0.2072 to \$0.141 per kWh, a savings of approximately six cents. (SED's standard residential rate also includes a base block charge of \$0.1006 per kWh which would be unavailable to participants.)

Disadvantageous components include:

- a. higher prices during on-peak periods, consisting of shoulder season, winter, and summer charges of \$0.353, \$0.410, and \$0.565 per kWh, respectively, or an increase of approximately fourteen, twenty, and thirty-six cents above what they would've been charged had they not participated;
- b. uncertainty over the magnitude of total electric load on premises and which loads can and cannot be shifted in time to off-peak hours, which in turn means greater mental calculation compared to shifting only a single load (EV charging); and,
- c. uncertainty if the \$10 per month compensation will be lost if a vehicle will be in SED territory during an event given that current FLM program requirements read, "A participant's EV that is not within SED's territory at the time of an event or EVSE that is not available during an event are not eligible to receive the monthly incentive for curtailing demand," and

1 d. the prohibition to leave the EV rate for 12 months if customer costs dramatically
2 increase.

3 The result of these considerations' collective uncertainty is that customers will not
4 know if their bill will go up or down or by how much. In other words, a customer will
5 have difficulty calculating whether the savings from the EV rate and potential \$10/month
6 bill credit will exceed the additional cost associated with energy usage that cannot
7 reasonably be shifted to off-peak hours. This uncertainty will discourage enrollment and
8 lead to low customer participation.

9
10 **Q10. Does the legislative Act allow the EV rate to be met with whole-home TOU rates?**

11 A10. Yes, it does. Act 55 states that EV rates “may include rates for electricity sales to an
12 entire customer premises...,” but, a whole-home TOU-based EV rate would still have to
13 meet all the requirements laid out in the Act.

14 Furthermore, SED’s proposal is more than a whole-home or whole-premises TOU
15 rate, as it combines the TOU rate facet with an event-based incentive EV program. A
16 notable feature of this EV rate is the combination of the whole-home TOU rate and the
17 event-based FLM program. This feature adds another level of complexity to the program
18 that would make it difficult for a customer to evaluate the benefits they would receive.

Q11. If the Legislature allowed whole-home TOU rates, why does SED's proposal not meet the EV rate requirements?

A11. The proposed EV rate does not meet the requirements of the Act because of its complexity and limited opportunity to exit the rate will discourage customer participation.

The combined elements of SED's EV rate, including the relative upside and downside of TOU rates, are further complicated by the inability to exit the EV rate except for a 30-day window each year. Customers will be hesitant to commit to this EV rate when the opportunity to exit is many months away.

Q12. Do you believe the rate meets the Legislature's requirements?

A12. No.

Q13. Why does the rate not meet the Legislature's requirement?

A13. The rate must be viewed as a whole, including all benefits and obligations it places on customers. And, as a whole, the EV's rate complexity and limited opportunity to exit will suppress participation. According to Act 55, an EV rate must encourage participation to be approvable by the PUC.

IV. RECOMMENDATION

Q14. What is your recommendation for the Commission?

A14. I recommend the Commission deny approval of SED's proposed EV rate because it does not meet the requirements of Act 55 of 2021.

1 I recommend that the Commission require SED to revise the proposed rate to
2 allow customers to exit the program at any time with 30-days' notice (or other reasonable
3 exit from the program)) and to not require enrollment in a whole-home TOU rate to take
4 advantage of the EV rate program. SED should encourage enrollment by demonstrating
5 to customers that their bills will be lowered based on their own hourly usage patterns.

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7 **Q15. Does this conclude your testimony?**

8 A15. Yes.