

**STATE OF VERMONT
PUBLIC UTILITY COMMISSION**

The Village of Jacksonville Electric	)	
Company's tariff filing requesting an overall	)	
rate increase in the amount of 17.72%, to	)	Case No. 26-_____
take effect July 5, 2026	)	

PREFILED TESTIMONY OF

**JILLIAN JURCZYK
(POWER SUPPLY)**

**ON BEHALF OF
THE VILLAGE OF JACKSONVILLE ELECTRIC COMPANY**

May 21, 2026

Ms. Jurczyk's testimony supports the level of power costs included in the revenue requirement.

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(POWER SUPPLY)**

**ON BEHALF OF
JACKSONVILLE ELECTRIC COMPANY**

1 Q1. Please state your name, position, and business address.

2 A1. My name is Jillian Jurczyk. I am a Rates Manager with Utility Financial Solutions, LLC, 185
3 Sun Meadow Ct., Holland, Michigan 49424.

5 Q2. Please provide a summary of your background and experience.

6 A2. I have a master's degree in applied economics from Johns Hopkins University and two
7 bachelor's degrees in mathematics and social studies. I have been with Utility Financial
8 Solutions, LLC since 2013; my current position is rates manager. I work on financial, cost-
9 based, and rate related studies for electric, water, wastewater, gas, telecommunications, and
10 solid waste utilities across the country.

11
12 Q3. Have you previously testified before the Public Utility Commission ("Commission" or
13 "PUC")?

14 A3. Yes, most recently to support the Village of Ludlow's Electric Light Department's April 14,
15 2026, PUC Case No. 26-0721-TF, rate case filing.

16

1 Q4. What is the purpose of your testimony?

2 A4. This testimony will support the Village of Jacksonville Electric Company's ("JEC" or
3 "Jacksonville") level of power supply costs and the cost of complying with the Renewable
4 Energy Standard ("RES"). RES costs are summarized in Exhibit JEC-JTJ-10, which is
5 included with my testimony, and is explained in more detail below.

6
7 Q5. Please summarize JEC's power supply costs, as included in the revenue requirement.

8 A5. Please refer to Exhibit JEC-JTJ-1. Total Costs during the Test Year were \$820,508. After
9 making known and measurable adjustments, total costs during the Rate Year are \$856,054,
10 which is a \$35,545 (4.3%) increase from the Test Year.

11
12 Q6. Can you provide an overview of what is causing the increase?

13 A6. There are several main drivers of the increase in power supply costs. The Day Ahead
14 Ancillary Services ("DAAS") market is increasing costs by \$37,488. Resource energy
15 credits increase costs by \$28,675 due to lower forecasted energy prices than Test Year
16 actuals. The Open Access Transmission Tariff costs are increasing by \$20,662 due to a
17 higher Schedule 9 rate. The VTA Common Facilities charge is increasing costs by \$18,912.
18 The Capacity Market increases costs by \$3,816.

19
20 Q7. Are there any known and measurable changes that are reducing Jacksonville's power
21 supply costs during the Rate Year?

22 A7. Yes. Increased renewable energy credits ("REC") reduce costs by \$59,011. The energy
23 market is reducing costs by \$31,029 due to lower forecasted energy prices than Test Year
24 actuals. Resource energy costs decrease costs by \$25,661 due to lower forecasted energy
25 prices than Test Year actuals.

26

1 Q8. Please summarize the impact that Rate Year resource adjustments have on power supply
2 costs.

3 A8. Please refer to column T of Exhibit JEC-JTJ-1. In total, resource adjustments decrease
4 power supply costs by \$18,211.

5
6 Q9. Are there any adjustments that apply to most of Jacksonville's resources?

7 A9. There are two categories of adjustment that apply to most of Jacksonville's resources.

8 **1. Market Price Adjustments**

9 Most of JEC's resources settle in ISO-NE's energy and capacity markets. As a result, the
10 adjustments that are made to energy and capacity prices impact almost every resource.
11 Forward energy prices decrease in the Rate Year compared to the Test Year. This decreases
12 the energy credits for market resources. Charges and credits such as pay for performance
13 are not included in the Rate Year because they are, by definition, not known and
14 measurable. These price-related adjustments are shown in columns I and M of Exhibit JEC-
15 JTJ-1. For brevity, these adjustments are not explained separately for each and every
16 resource in the following section. Instead, the Resource Adjustments focus on adjustments
17 to the MWH Entitlements (Column E of Exhibit JEC-JTJ-1), the price adjustments (if any)
18 to the resources, and other relevant adjustments.

19
20 **2. Energy Volume Adjustments**

21 The generation for most resources was set to its five-year average. These averages reflect
22 operation between 2021 and 2025 and they provide a common assumption that captures
23 the most recent physical and financial operating conditions of each resource. The full
24 operating history of these resources, as well as their five-year averages, appears in Exhibit
25 JEC-JTJ-3.

26
27 Q10. Please summarize the Rate Year adjustments to the Brookfield 2023-2027 resource.

1 A10. Please refer to Exhibit JEC-JTJ-1 (row 7). The adjustments to this resource increases costs
2 by \$1,183. This resource volume is firm.

3
4 Q11. Please summarize the Rate Year adjustments to the Fitchburg Landfill resource.

5 A11. Please refer to Exhibits JEC-JTJ-1 (row 8) and JEC-JTJ-3. The adjustments to this resource
6 increases costs by \$1,304. The volume was adjusted upward from the Test Year to the Rate
7 Year.

8
9 Q12. Please summarize the Rate Year adjustments to the HQUS Contract resource.

10 A12. Please refer to Exhibit JEC-JTJ-1 (row 9). The adjustment to this resource increases costs
11 by \$2,422. The resource volume is firm.

12
13 Q13. Please summarize the Rate Year adjustments to the Kruger Hydro resource.

14 A13. Please refer to Exhibits JEC-JTJ-1 (row 10) and JEC-JTJ-3. The adjustment to this resource
15 decreases costs by \$7,928. The volume was adjusted upward from the Test Year to the Rate
16 Year.

17
18 Q14. Please summarize the Rate Year adjustments to the New York Power Authority resources.

19 A14. Please refer to Exhibits JEC-JTJ-1 (rows 13 and 14), JEC-JTJ-3, and JEC-JTJ-13. These
20 resource adjustments reduced costs by \$4,860 (Niagara) and increased costs by \$75 (St.
21 Lawrence). Niagara generation was adjusted upward to the five-year average (2021-2025),
22 and St. Lawrence generation matched the five-year average in the Test Year and was
23 therefore not adjusted. The capacity costs of the contract were held constant at Test Year
24 levels. The DAAS Value was included which reduces costs by \$2,496 compared to the
25 Rate Year.

26

1 Q15. Please summarize the Rate Year adjustments to the Orleans Solar resource.

2 A15. Please refer to Exhibit JEC-JTJ-1 (row 15). This is a new resource for JEC in the rate year.
3 The resource adjustment increased costs by \$5,181.

4
5 Q16. Please summarize the Rate Year adjustments to the Project 10 resource.

6 A16. Please refer to Exhibits JEC-JTJ-1 (row 17), JEC-JTJ-3, JEC-JTJ-13 and JEC-JTJ-14. The
7 generation for this resource was adjusted down to the five-year average from 2021 to 2025.
8 The adjustments to this resource decrease costs by \$12,107. The DAAS credits decrease
9 costs \$77,258, while charges increase costs by \$24,867 in the Rate Year. Overall, DAAS
10 adjustments decrease costs \$52,391 compared to the Test Year.

11
12 Q17. Please summarize the Rate Year adjustments to the Ryegate resource.

13 A17. Please refer to Exhibits JEC-JTJ-1 (row 18), JEC-JTJ-3, JEC-JTJ-8 and JEC-JTJ-13. The
14 adjustment to this resource increases costs by \$1,552. The generation was adjusted
15 downward to match the five-year average (2021-2025). REC revenues were adjusted
16 downward to reflect current REC market prices. The DAAS credits reduce costs by \$591 in
17 the Rate Year.

18
19 Q18. Please summarize the Rate Year adjustments to the Short-Term Coverage resource.

20 A18. Please refer to Exhibit JEC-JTJ-1 (row 19). The adjustment to this resource increases costs
21 by \$8,021. Please note that no Short-Term Coverage transactions are assumed to take place
22 in the Rate Year because these decisions are made on a month-ahead basis and are not
23 known and measurable as a result. The adjustment serves only to reverse the activity that
24 occurred in the Test Year.

25
26 Q19. Please summarize the Rate Year adjustments to the Standard Offer Program.

1 A19. Please refer to Exhibit JEC-JTJ-1 (row 20). The adjustments to this resource decrease costs
2 by \$3,967, due to Rate Year energy credits.

3
4 Q20. Please summarize the adjustments to the Stetson Wind resource.

5 A20. Please refer to Exhibits JEC-JTJ-1 (row 21), JEC-JTJ-3 and JEC-JTJ-13. The adjustment
6 to this resource decreases costs by \$9,089. The volume was adjusted down to match the
7 five-year average. The energy price was adjusted to the applicable years, decreasing from
8 the Test Year. The DAAS credits reduce costs by \$5,236 in the Rate Year.

9
10 Q21. Please summarize the impact that Rate Year Markets & Other Adjustments have on power
11 supply costs.

12 A21. The energy market adjustment decreases power supply costs by \$31,029. The capacity
13 market adjustment increases power supply costs by \$3,816. DAAS market adjustments
14 increased costs by \$37,488. The reserve market decreases power supply costs by \$575. In
15 total these adjustments increase the power supply costs by \$9,700.

16
17 Both the energy market and DAAS market are billed to JEC based on ISO-NE settlement
18 load. This rate case was developed using the same total load that JEC had in the Test Year.

19
20 Q22. Please summarize the adjustments to energy market costs.

21 A22. Please refer to Exhibits JEC-JTJ-1 (row 25), and JEC-JTJ-4. The cost of energy in the Rate
22 Year at the Vermont Zone totals \$462,127. This is a decrease of \$31,029 compared to the
23 Test Year. This is a result of lower energy market prices during the Rate Year. The
24 adjustment to energy market prices is calculated using broker prices between December
25 2025 and March 2026. There are a total of thirteen data points (dates) and a weighted
26 average was calculated such that the most recent dates were given the most weight.

Q23. Please summarize the adjustments to capacity market costs.

A23. Please refer to Exhibits JEC-JTJ-1 and JEC-JTJ-5. The cost of capacity in the Forward Capacity Market (“FCM”) increased by \$3,816. Capacity market prices (\$/kW-month) increased from an average of about \$2.51/kW-month in the Test Year to \$2.59/kW-month during the Rate Year.

Q24. Please explain how JEC’s capacity market requirements are determined.

A24. ISO-NE operates the capacity market on a June 1st to May 31st schedule, and it uses the current year’s coincident annual peak load to set the next year’s capacity market requirements (MW). As a result, the annual coincident peak with ISO in 2025 set the capacity requirements between June 1, 2026 and May 31, 2027.

Please refer to Exhibit JEC-JTJ-5. JEC’s annual coincident peak with ISO-NE in the prior year is used to calculate JEC’s share of the Northern New England peak. This ratio is multiplied by the Capacity Supply Obligation (“CSO”) in Northern New England to arrive at JEC’s CSO. Finally, the CSO is multiplied by the FCM Clearing Price to determine JEC’s monthly capacity costs.

Q25. Please explain the Day Ahead Ancillary Services costs and revenues.

A25. The Day Ahead Ancillary Services market is a new market in ISO that began March 1, 2025. This market replaced the Forward Reserve Market, although all reserve products remain the same. In addition to changing the market structure for procuring reserve products, an additional product was introduced. This product was the Energy Imbalance Reserve (“EIR”). The EIR is the difference between the ISO forecasted load and the cleared day ahead energy. If the cleared day ahead energy is less than the forecasted load, then that difference clears in the DAAS market as EIR. The price at which EIR clears, the Forecast Energy Requirement

1 (“FER”) price, is then applied to all resources that clear in the Day Ahead (“DA”) market as
2 well. The cost of all DAAS products is applied to load based on the Real Time Load
3 Obligation. Because the FER and EIR are new products, this is adding cost for all load serving
4 entities, including JEC. It is also adding a value stream to resources that clear in the DAAS
5 and DA markets.

6
7 To calculate the cost to JEC as a load serving entity, we calculated the rate in dollars per MWh
8 for the March 2025 – February 2026. Then that rate was applied to the corresponding monthly
9 ISO settlement load in the Rate Year. The DAAS market increases JEC’s costs by \$37,488.

10
11 To calculate the credits to resources, the actual credits from March 2025 – February 2026
12 were matched to the correlating months in the Rate Year. The impact of the DAAS credits
13 on specific resources is included in the questions referencing those resources.

14
15 Q26. Please summarize the impact that Rate Year Transmission Adjustments have on power
16 supply costs.

17 A26. There are two adjustments to transmission. The first is due to higher schedule 9 rates
18 (Regional Network Service or “RNS”) under the NEPOOL Open Access Transmission
19 Tariff (“OATT”). The second adjustment is to the VELCO 1991 VTA Common Facilities
20 charge.

21
22 Q27. Please summarize the adjustments to the OATT charges.

23 A27. Please refer to Exhibits JEC-JTJ-1 and JEC-JTJ-6. The adjustment to the NEPOOL OATT
24 increases costs by \$20,662. The exhibit also shows the Test Year actual charges, peak loads,
25 and the RNS rate. This rate is compared to the 2026 RNS rate that was presented by the
26 Participating Transmission Owners Administrative Committee on July 15, 2025, as well as a
27 rate for 2027 as reported by the Participating Owners Administrative Committee.

1

2 Q28. Please summarize the adjustments to the VTA Common Facilities charges.

3 A28. Please refer to Exhibit JEC-JTJ-9 for methodology in calculating JEC's Rate Year share of
4 this charge. VELCO provides an annual revenue forecast as well as the monthly allocation
5 percentage for each utility. The revenue forecast is multiplied by the allocation percentage to
6 determine Jacksonville's portion of the charge. This increases costs by \$18,912.

7

8 Q29. Please explain Jacksonville's RES costs during the Test Year.

9 A29. Please refer to Exhibits JEC-JTJ-10 and JEC-JTJ-11. Jacksonville's RES costs during the Test
10 Year were \$29,981. Tier I costs were \$13,814, Tier II costs were \$7,600, and Tier III costs
11 were \$8,567. This includes the cost of incentives, program marketing and administration, as
12 well as a true up for the prior year's actual costs.

13

14 Q30. Please explain the known and measurable adjustments to Jacksonville's RES costs.

15 A30. Exhibit JEC-JTJ-10 shows the budget for calendar year 2025 for each Tier, including
16 administrative costs and the prior year true up. These costs total \$29,945, which results in a
17 decrease in Rate Year costs of \$36.

18

19 Jacksonville's RES costs are known before the compliance year begins because VPPSA bills
20 the RES budget itself to Jacksonville throughout the compliance year. Any differences
21 between the budgeted billings and the actual compliance costs are rolled into the following
22 year's RES budget as a "Prior Year True Up" as shown in the Exhibit.

23

24 Q31. Does this conclude your testimony?

25 A31. Yes, it does.

EXHIBIT LIST

Exhibit JEC-JTJ-1	Test Year Power Costs & Rate Year Adjustments
Exhibit JEC-JTJ-2	Forward Energy Market Prices
Exhibit JEC-JTJ-3	Historical Generation by Resource
Exhibit JEC-JTJ-4	Vermont Zone Energy Cost Calculation
Exhibit JEC-JTJ-5	Rate Year Capacity Volumes and Costs
Exhibit JEC-JTJ-6	NOATT Adjustments
Exhibit JEC-JTJ-7	Renewable Energy Credit Prices
Exhibit JEC-JTJ-8	Rate Year REC Volumes and Revenues
Exhibit JEC-JTJ-9	VELCO VTA Common Facilities Adjustment
Exhibit JEC-JTJ-10	Renewable Energy Standard (RES) Adjustments
Exhibit JEC-JTJ-11	Direct RES Compliance Costs in Rate Year
Exhibit JEC-JTJ-12	DAAS Cost to Load
Exhibit JEC-JTJ-13	DAAS Resource Credits
Exhibit JEC-JTJ-14	DAAS Resource Charges