

STATE OF VERMONT
PUBLIC UTILITY COMMISSION

Case No. 26-____-TF

Petition of Town of Stowe Electric Department pursuant to 30 V.S.A. §§ 225 and 227(a) for a 14.6% rate increase to take effect on a service-rendered basis August 1, 2026	
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PETITION

The Town of Stowe Electric Department (“SED”), a municipal utility subject to Public Utility Commission (“Commission”) jurisdiction, submits this Petition, pursuant to 30 V.S.A. §§ 225 through 227 and Commission Rules 2.401 and 2.402, for Commission approval of a 14.6% increase in rates and customer charges, and applied to all existing rate classes effective on a service-rendered basis starting August 1, 2026.

In support of this Petition, SED states the following:

1. SED is a company as defined by 30 V.S.A. § 201 and a municipal electric utility within the meaning of 30 V.S.A. Chapters 14 and 79.
2. SED provides electric service to customers in the Town of Stowe, Vermont pursuant to Commission-approved rate tariffs.
3. The Town of Stowe Electric Utility Commission (“EUC”) is composed of three commissioners, nominated by the Town of Stowe Selectboard, who have rights and obligations granted to them under 24 App. V.S.A. ch. 153, § 1101. At a duly warned meeting held on May 26, 2026, the EUC voted unanimously to approve this requested rate increase.
4. As requested in previous dockets, in lieu of publishing notice of this rate increase in two Vermont newspapers, SED requests Commission approval to provide published notice in

the Stowe Reporter, Stowe's local newspaper, and notice to all SED customers in their monthly billing statement.

5. Vermont law requires electric rates to be "just and reasonable." 30 V.S.A. § 218. To maintain just and reasonable rates it is necessary to periodically review SED's financial performance, current cost of service and revenue requirements, and changes to operating conditions to ensure SED can meet its financial obligations, and continue to provide safe, reliable, and least cost service to ratepayers.
6. SED's proposed rates are established at levels intended only to recover the costs of providing electric service to customers and are based on the cost of service and adjustments supported by the testimony and exhibits submitted by Mayhew Seavey, Sarah Juzek, and Michelle Coscia.
7. SED requests Commission approval to implement a uniform rate increase of 14.6%, which is necessary to provide SED with the revenues required to continue to provide efficient and reliable service to its ratepayers, to take effect on a service-rendered basis on August 1, 2026, pursuant to 30 V.S.A. §§ 225 and 226.
8. The Rate Model filed with this request shows SED's Rate Year cost of service to be \$17,659,033 versus a test year revenue of \$15,408,431 which if left unadjusted would cause an under-recovery from rates in the amount of \$2,250,603.
9. To determine its "Rate Year" cost of service and revenue requirement, SED utilized a spreadsheet-based model based on Stowe's actual financial statements from March 1, 2025, to February 28, 2026.
10. SED's Rate Model adjusted the Test Year (March 1, 2026, to February 28, 2027) revenues and expenses based on known and measurable changes that will occur during

the Rate Year and normalized certain revenue and expense items that will change in a known and measurable manner after the Test Year.

11. The rates proposed in this filing are just and reasonable because they are based on known and measurable factors presented in the testimony and exhibits filed with this request.
12. The primary factor for this rate increase is increased power supply costs, which are the result of increasing energy costs throughout New England. Secondary drivers include maintaining a time interest earning ratio of 2.0 (TIER 2.0), labor and overhead expenses, consultant and legal fees, and other operations and maintenance costs.
13. SED also submits modifications to its Interruptible Load tariff to allow the utility to fully capture the costs attributable to service taken under this tariff. SED staff determined that recent changes in the Vermont Renewable Energy Standard and ISO-NE transmission cost allocation might not be fully captured in the current tariff. Therefore, the proposed changes are intended to avoid cross-subsidization among customers taking service under the Interruptible Load tariff and other rate classes, and will provide greater transparency to customers taking service under the Interruptible Load tariff.

WHEREFORE, SED respectfully requests that the Commission:

- A. With consideration given to the comments and recommendations of the Department of Public Service, SED ratepayers, and other interested parties, determine whether opening an investigation is necessary to review SED's proposed rate increase and, if so, appoint a Hearing Officer to convene a pre-hearing conference and to conduct such public, technical, or other hearings as necessary;
- B. Find that SED's proposed uniform 14.6% rate increase is just and reasonable and order implementation thereof pursuant to the rate tariff schedules submitted herewith;

- C. Approve the proposed changes to the Interruptible Load tariff before September 1, 2026 to allow SED to implement the changes before the 2026/2027 winter season;
- D. Take such other measures as in the Commission's judgment are necessary for a full and expeditious resolution of this proceeding.

Dated at Stowe, Vermont, this 5th day of June, 2026.

FILED ON BEHALF OF THE TOWN OF STOWE ELECTRIC DEPARTMENT

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