STATE OF VERMONT
PUBLIC UTILITY COMMISSION

Case No. 26-1010-TF

Tariff filing of Village of Jacksonville Electric Company requesting an overall rate increase of 17.72% effective on service rendered on or after July 5, 2026	

RECOMMENDATION OF THE VERMONT DEPARTMENT OF PUBLIC SERVICE

On May 21, 2026, the Village of Jacksonville Electric Company ("JEC") filed with the Vermont Public Utility Commission ("Commission") a request to increase electric rates by 17.72% pursuant to 30 V.S.A. § 225 and § 226(b). In support of its rate-increase request, JEC submitted both clean and red-lined tariffs, prefiled direct testimony, and accompanying exhibits in the above-referenced proceeding.

According to the testimony and exhibits of JEC witness Jillian Jurczyk, power-supply costs during JEC's test year totaled $820,528. After known-and-measurable adjustments, rate-year power-supply costs totaled $856,054, a 4.3% increase from test-year costs. JEC attributes the majority of its proposed rate increase to these increased power supply costs, which include: (1) an increase in the Vermont Transmission Agreement Common Facilities Charge; (2) higher Day-Ahead Ancillary Services Initiative ("DASI") charges; (3) increased Open Access Transmission Tarriff costs; and (4) a reduction to resource energy credits due to lower forward wholesale energy prices in the rate year. Of note, JEC's test-year-average energy market costs were $78.48/MWh compared to an average assumed around-the-clock price of $70.76/MWh in the rate year.

Increases in power-supply costs in the rate year are partially offset by: (1) a $31,029 reduction in resource energy charges; (2) a $26,661 reduction to energy market costs due to lower forward wholesale energy prices in the rate year; and (3) an increase to resource DASI credits.

The Vermont Department of Public Service ("Department") has conducted a preliminary review of JEC's current rate request and associated materials. Based on the Department's preliminary review, JEC's power supply and transmission cost assumptions are generally supported by testimony and documentation provided in the filing. However, the magnitude of JEC's 17.72% rate increase warrants greater evaluation when viewed in conjunction with JEC's requested 12.479% increase currently under investigation in Case No. 25-1433-TF and JEC's 25% rate increase approved in 2025. Thus, the Department respectfully recommends that the Commission open an investigation into JEC's rate-increase request pursuant to 30 V.S.A. § 225(b). An investigation will grant the Department and the Commission the opportunity to thoroughly review JEC's tariffs, supporting testimony, and accompanying exhibits and appropriately determine whether this rate increase is just and reasonable.

Thank you, and please contact the undersigned counsel with any questions.

DATED at Montpelier, Vermont, this 22nd day of June 2026.

Respectfully submitted,

VERMONT DEPARTMENT OF PUBLIC SERVICE

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