

STATE OF VERMONT
PUBLIC UTILITY COMMISSION

Case No. 26-1130-TF

Tariff filing of Town of Stowe Electric Department requesting an overall rate increase of 14.6% effective on service rendered on or after August 1, 2026	
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Order entered: 07/17/2026

ORDER OPENING INVESTIGATION, DIRECTING STOWE ELECTRIC TO WITHDRAW CERTAIN PROPOSED TARIFF CHANGES, AND NOTICING SCHEDULING CONFERENCE

I. INTRODUCTION

This case involves a request filed with the Vermont Public Utility Commission (“Commission”) for approval of a 14.6% increase in the Town of Stowe Electric Department’s (“Stowe Electric”) rates. Stowe Electric is also proposing certain rate design changes. In this order, we open an investigation into the justness and reasonableness of the 14.6% rate increase and direct Stowe Electric to withdraw the proposed rate design changes.¹

On June 5, 2026, Stowe Electric filed revised rate schedules and tariff documents with the Commission reflecting a proposed 14.6% increase in its rates. The rate increase is proposed to take effect on a service-rendered basis commencing August 1, 2026. Additionally, Stowe Electric has revised its tariffs to change the monthly customer charge to a daily customer charge. Lastly, Stowe Electric is requesting approval of modifications to its Interruptible Load Tariff “to allow the utility to fully capture the costs attributable to service taken under this tariff.”² Stowe Electric requests that the proposed change to the Interruptible Load Tariff be approved “before September 1, 2026, to allow [Stowe Electric] to implement the changes before the 2026/2027 winter season.”³

The Vermont Department of Public Service (“Department”) was notified of this tariff filing via the Commission’s electronic case management system, ePUC, at the time of Stowe

¹ These proposed rate design changes may be refiled. As described below, these changes should be filed in separate cases.

² Petition at 3.

³ *Id.* at 4.

Electric's filing. Pursuant to 30 V.S.A. § 225, the Department must investigate the justness and reasonableness of a proposed change to a rate schedule immediately upon receipt of notice of the change.

On July 6, 2026, the Department filed a letter recommending that the Commission open an investigation into the justness and reasonableness of Stowe Electric's proposed rate increase ("Department Recommendation"). The Department did not address Stowe Electric's proposed modifications to its Interruptible Service Tariff or to the customer charge.

II. DISCUSSION

The Commission must determine whether Stowe Electric's proposed change in rates is just and reasonable. Section 225 of Title 30 of the Vermont Statutes Annotated requires the Commission to open an investigation into a tariff filing if the Department opposes the change in rates. In this case, the Department has recommended that we open an investigation into Stowe Electric's proposed rate increase. Accordingly, we are opening this investigation.

Section 226(b) of Title 30 of the Vermont Statutes Annotated provides that the Commission may not suspend the effectiveness of a tariff of a municipal or cooperative utility and that such a utility may implement a proposed rate increase pending a Commission investigation provided that the utility "refund[s] revenues collected in excess of those which are finally determined to be just and reasonable." Section 226(b) further provides that "[a]ny increase in the rates of a municipality or cooperative shall be implemented by means of an identical percentage increase to each class or division of ratepayers." In light of this statutory language, Stowe Electric may implement the tariff by means of an identical 14.6% surcharge to each class of ratepayers, subject to the requirement that it refund any amounts collected that are in excess of the amount finally determined to be just and reasonable by the Commission.

Pursuant to 30 V.S.A. §§ 20 and 21, Stowe Electric will be responsible for court reporter costs incurred by the Commission during the course of this proceeding and billed back to Stowe Electric.

III. WITHDRAWAL OF RATE DESIGN CHANGES

Withdrawal of Interruptible Load Tariff Modifications

Stowe Electric's proposed changes to the customer charge within its Interruptible Load Tariff may go into effect on a service-rendered basis commencing August 1, 2026, by means of a 14.6% surcharge, pending the Commission's final determination as described above. However, the proposed changes to the terms of the energy and transmission charges constitute rate design.⁴ We further note that the Department Recommendation did not specifically address Stowe Electric's request for approval of modifications to its Interruptible Load Tariff to be implemented by September 1, 2026.⁵ Additionally, it is unclear whether the customer served under this tariff was provided notice of the proposed changes.

The Commission directs Stowe Electric to withdraw the proposed changes to the energy charge and transmission charge for the Interruptible Load Tariff. Stowe Electric may refile those changes as a separate tariff filing.⁶ Any new tariff filing seeking to implement the proposed changes to the energy charge and transmission charges must follow the 45-day notice requirements pursuant to 30 V.S.A. § 225,⁷ identify an appropriate effective date as such, and include a customer notice regarding the proposed modifications. Stowe Electric is also directed to file in this case revised versions (clean and redline) of the Interruptible Load Tariff within 10 days of the issuance of today's order that reflect only the change to the customer charge. The proposed changes to the energy and transmission charges may not go into effect until the Commission issues a final determination on those proposed modifications.

⁴ Pursuant to 30 V.S.A. § 226(b), "any increase in the rates of a municipality or cooperative shall be implemented by means of an identical percentage increase to each class or division of ratepayers under rate design tariffs previously approved by the Public Utility Commission until such time as the Public Utility Commission shall specifically approve an alteration in such rate design and corresponding tariffs." As such, the proposed rate increase must apply to currently approved tariffs and any change in rate design must be made as a separate tariff filing.

⁵ Pursuant to 30 V.S.A. § 225(a), "[t]he Commission shall consider the Department's recommendation and take action pursuant to sections 226 and 227 of this subchapter before the date on which the changed rate is to become effective."

⁶ For ease of filing, it is adequate for Stowe Electric to file the testimony from this case in the new tariff filing so long as the relevant portions to support those tariff changes are highlighted.

⁷ Stowe Electric may ask for a waiver of the 45-day notice requirement to accommodate its proposed September 1, 2026, effective date.

Withdrawal of Changes to the Customer Charge

Stowe Electric has presented redline tariffs that modify the monthly customer charge to a daily customer charge. This modification constitutes a change in rate design. Stowe Electric is directed to withdraw all tariffs that reflect a change from a monthly customer charge to a daily customer charge and file in this case revised versions (clean and redline) of all affected tariffs with this proposed customer charge change removed within 10 days of the issuance of today's order.⁸ Furthermore, Stowe Electric is directed to review all tariff documents to determine whether it is proposing any other changes that may constitute rate design changes, to identify these for the Commission and the Department, and to withdraw those proposed modifications if found.

IV. PROCEDURAL ISSUES*Missing Tariff Sheets*

Stowe Electric has not yet filed tariff sheets for its Residential 01 rate. Stowe Electric is directed to file clean and redline versions of the Residential 01 tariff sheets within 10 days of the issuance of today's order.

Stowe Electric's Pending Motion

In its initial filing, Stowe Electric filed a motion requesting approval of an alternative publication and customer notice. Stowe Electric's motion asserts that 30 V.S.A. § 225 requires that notice of the rate change "shall be published by the company in two newspapers with general circulation in the State within 15 days" of its petition. Stowe requests Commission approval to publish notice of the rate change in its customers' monthly bills, to be issued in the two billing cycles during July 2026, and via publication in the *Stowe Reporter* on June 16, 2026.

On June 19, 2026, the Department filed a response to the motion. The Department recommended that Stowe Electric revise its proposed notice to include the case number and an update to the internet address. The Department maintains that 30 V.S.A. § 225(a) affords the

⁸ Any proposed modifications to the customer charge should be made as a separate tariff filing for Commission review. These proposed changes may not go into effect until such time that the Commission makes a final determination on those changes. It does not appear that Stowe Electric addressed the change to the customer charge in testimony in this case. The new tariff filing should include documentation to support the proposed changes.

Commission the discretion to direct notice regarding rate changes. The Department states that it is not opposed to publication in the *Stowe Reporter* but maintains that the notice would be most effective if published on Stowe Electric's website as well as on bills.

Stowe Electric asserts that "[t]he default method of notifying customers of a rate change set forth in § 225 is that the 'schedules, or summaries of the schedules approved by the department, shall be published by the company in two newspapers with general circulation in the state within 15 days of such filing.'" The statutory language cited by Stowe Electric refers to the requirements for publishing existing "tolls or rates charged." Regarding changes to rates, under 30 V.S.A. § 225(a), "[a] change shall not be made in any such schedules, including schedules of joint rates or in any of the rules, except upon 45 days' notice to the Commission and to the Department of Public Service, and notice to parties affected by the schedules as the Commission shall direct." Therefore, all aspects of customer notice related to rate changes are at the Commission's discretion.

Because the language regarding publication in two newspapers is not applicable to the present case, Stowe Electric's motion is moot. Instead, we inform Stowe Electric that its proposal to provide notice to customers through customer bills and via publication in the *Stowe Reporter* is acceptable to the Commission. We further note that the Commission has not generally required utilities to publish notice of changes in rates in newspapers. Instead, the Commission routinely directs utilities to provide notice directly to customers either through on-bill notice or through a bill insert. Additionally, if it has not already done so, we direct Stowe Electric to post the customer notice on its website, as recommended by the Department.

Errors and Missing Information

The Department Recommendation states that "some of Stowe [Electric]'s filings appear to contain multiple errors and some filings appear to be missing information."⁹ The Department is requested to work with Stowe Electric to identify a timeframe to address these concerns as part of the proposed case schedule, discussed below.

⁹ Department Recommendation at 1.

Case Schedule

Consistent with Commission Rule 2.225(A), the Department and Stowe Electric must jointly file a proposed procedural schedule for the investigation no later than three days before the scheduling conference.¹⁰ Regarding the proposed schedule, 30 V.S.A. § 227(a) states: “Except when the company consents to waive the seven-month requirement, if the Commission fails to make its determination within the time periods set by this subsection, the changed rate schedules filed by the company shall become effective and final.” The hearing officer is directed to adhere to the seven-month requirement specified in the statute, as consistent with Commission precedent. Accordingly, if a proposed schedule extends beyond seven months from the date of today’s order, Stowe Electric should be prepared to waive the seven-month requirement for a period of time that would accommodate the proposed schedule. Additionally, parties should include at least six weeks at the end of the proposed schedule to allow adequate time for the hearing officer to issue a proposal for decision and to receive comments and requests for oral argument from the parties before the Commission makes a final determination.

¹⁰ If the parties are unable to stipulate to a procedural schedule, then the Commission requests that the parties file separate schedules.

V. ORDER

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED by the Public Utility Commission (“Commission”) of the State of Vermont that:

1. Pursuant to 30 V.S.A. §§ 225 and 227(a), the Commission opens an investigation into the justness and reasonableness of the Town of Stowe Electric Department’s (“Stowe Electric”) proposed tariff revisions as filed with the Commission on June 5, 2026.

2. Pursuant to 30 V.S.A. § 226(b), until a final determination is made in this proceeding, increased rates may be implemented by means of an identical 14.6% surcharge to each class of Stowe Electric’s ratepayers under the tariffs previously approved by the Commission. Any revenues collected in excess of those that are finally determined to be just and reasonable must be refunded to Stowe Electric’s ratepayers.

3. Pursuant to 30 V.S.A. § 8, Andrea Poppiti is appointed to serve as the hearing officer to conduct the proceedings in this matter.

4. Pursuant to 30 V.S.A. §§ 10 and 11(a)(2), a scheduling conference will be held on August 4, 2026, beginning at 1:30 P.M., via Teams videoconference.

Participants and members of the public [may access the scheduling conference online at this link](https://teams.microsoft.com/meet/27930565329063?p=p5CBwayPop3Bf5tcba) on August 4, 2026: <https://teams.microsoft.com/meet/27930565329063?p=p5CBwayPop3Bf5tcba>.

Participants and members of the public may also use the following information to attend the scheduling conference: Meeting ID: 279 305 653 290 63; Passcode: qH3g67RX ; or call in by telephone using the following information: [phone number & conference id](#): +1 802-828-7667,,294508098#.

Participants may wish to review [guidance on how to join the meeting and system requirements](https://support.microsoft.com/en-us/office/join-a-meeting-in-microsoft-teams-1613bb53-f3fa-431e-85a9-d6a91e3468c9) (<https://support.microsoft.com/en-us/office/join-a-meeting-in-microsoft-teams-1613bb53-f3fa-431e-85a9-d6a91e3468c9>).

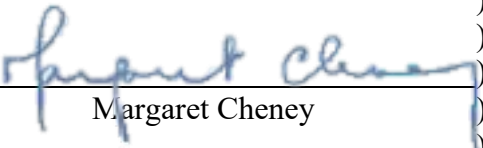
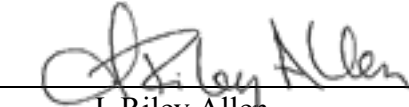
5. Stowe Electric is directed to withdraw its proposal to modify its customer charge from a monthly basis to a daily basis and to file in this case revised versions of all affected tariffs (redline and clean) within 10 days of the issuance of today’s order.

6. Stowe Electric is directed to withdraw its proposal to modify its Interruptible Tariff and to file in this case a revised version of that tariff that reflects only the change to the energy charge (redline and clean) within 10 days of the issuance of today's order.

7. Stowe Electric is directed to file clean and redline versions of the Residential 01 tariff sheets within 10 days of the issuance of today's order.

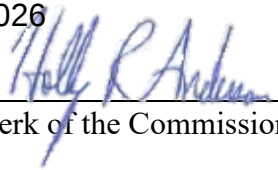
8. Consistent with Commission Rule 2.225(A), the Vermont Department of Public Service and Stowe Electric must jointly file a proposed procedural schedule for the investigation no later than three days before the scheduling conference. If the parties are unable to stipulate to a procedural schedule, then the Commission requests that the parties file separate schedules.

Dated at Montpelier, Vermont, this 17th day of July, 2026.

	)	
Edward McNamara	)	PUBLIC UTILITY
	)	
	)	COMMISSION
Margaret Cheney	)	
	)	
	)	OF VERMONT
J. Riley Allen	)	

OFFICE OF THE CLERK

Filed: July 17, 2026

Attest: 
Clerk of the Commission

PUC Case No. 26-1130-TF - SERVICE LIST

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