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STATE OF VERMONT
PUBLIC UTILITY COMMISSION

Case No. 20-0203-PET
Investigation into the establishment of reduced rates
for low-income residential ratepayers of Vermont
electric utilities.

**Vermont Electric Cooperative Response to April 26, 2022 Order
Clarifying the Scope of This Proceeding and Requesting Information**

At all times, but especially as we emerge from the COVID crisis, Vermont Electric Cooperative (VEC) is interested in exploring every opportunity to minimize cost pressures for all members, and particularly for those members with the greatest energy burdens.

From inception, VEC and other not-for-profit electric cooperatives have embraced the importance of energy equity. The Cooperative Principles embody the key principle of not leaving the most vulnerable behind and knowing that when we work together we are stronger. Now, and in the coming years, as we participate in a once-in-a-century power sector transition, we are acutely aware of our obligation to live by this tenet.

VEC's top priority is keeping costs down, not only for the most energy burdened, but for those with medium energy burdens, and others. At this time, VEC is challenged to see a compelling case for a VEC-specific low-income rate since it would translate into higher costs for other members who also struggle to make ends meet. Our chosen strategy to support our lower income members is to keep rates as low as possible and implement programs and incentives to assist these members to use less energy. In 2022, we have a variety of thermal efficiency, energy transformation, and community solar projects specifically focused on these communities.

VEC continues to be open to the concept of a statewide low-income rate program and would be interested in seeing modeling of the various options. An important element would be to ensure administrative costs were minimized since high administrative costs would translate into higher operating costs for all ratepayers. Also, as mentioned above, cost-shifting to others who can not afford increased bills must be considered. Another essential consideration is not increasing the cost of electricity as we continue to encourage people to transition away from fossil fuels for their energy needs.

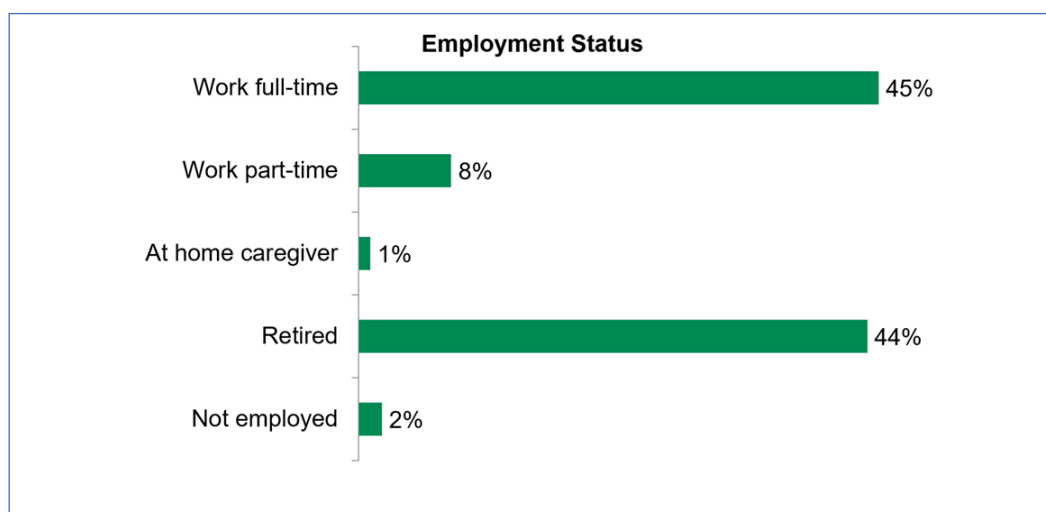
VEC's responses to the questions outlined in the April 26, 2022 Order:

1- An estimate of the number of low-income customers (185 percent of federal poverty level) in the utility's service territory.

After some investigation and consideration, we believe this information is best gathered and analyzed at a statewide level. Individual distribution utility analysis will likely lead to inconsistency in approach and outcomes.

What we can share is that VEC currently serves approximately 40,000 accounts in 75 towns in northern Vermont. The counties in VEC’s service territory include Addison, Caledonia, Chittenden, Essex, Franklin, Grand Isle, Lamoille, and Orleans. VEC’s membership is primarily residential with about 35,315 accounts for 31,731 residential members. According to Efficiency Vermont’s 2019 Energy Burden report, VEC serves eight of the ten towns , and three of the top five counties, with the highest energy burden in the state <https://www.efficiencyvermont.com/news-blog/whitepapers/vermont-energy-burden>.

A professionally designed and statistically significant VEC member survey is implemented annually where self-reported household size and income data is collected from a sample of VEC members. Approximately one-half of reporting members are on fixed incomes, approximately 13 percent of survey respondents would classify at or below 100 percent FPL and 18 percent would classify at or below 185 percent FPL. Within VEC districts, and between VEC districts, there is significant income diversity.



2- The end-of-year customer counts by class (residential, commercial industrial), annual revenues by class, and annual kWh consumption by class, along with totals for the utility from 2017 through 2021.

Vermont Electric Cooperative		2017	2018	2019	2020	2021
Industrial	# members	15	16	16	16	16
	kwh	99,637,440	104,831,207	104,365,237	100,776,399	99,432,324
	Revenue	\$ 10,837,785	\$ 11,520,858	\$ 11,216,144	\$ 11,295,000	\$ 11,350,072
Commercial	# members	4,544	4,623	4,686	4,769	4,867
	kwh	129,096,847	129,093,619	124,524,056	119,999,084	123,192,852
	Revenue	\$ 20,316,275	\$ 20,077,593	\$ 19,219,600	\$ 18,808,757	\$ 19,284,462
Residential	# members	34,519	34,706	34,880	35,104	35,371
	kwh	215,434,784	226,070,027	222,491,228	232,524,425	233,047,161
	Revenue	\$ 41,467,266	\$ 43,235,988	\$ 42,488,851	\$ 45,505,417	\$ 45,635,671
Total	# members	39,078	39,345	39,582	39,889	40,254
	kwh	444,169,071	459,994,853	451,380,521	453,299,908	455,672,337
	Revenue	\$ 72,621,325	\$ 74,834,439	\$ 72,924,595	\$ 75,609,174	\$ 76,270,205

3- The residential customer charge/daily access charge or equivalent for the utility's general service residential rate.

The current VEC monthly residential customer charge is \$18.14

4- The residential retail energy rate (\$/kWh) (specified by block if that applies).

The residential retail energy rate is \$ 0.09193/kWh for up to 100 kWh (NYPA Block) and \$ 0.18556/kWh for all usage over 100 kWh.

Supporting our members that have high energy burdens will continue to be a priority for VEC. We agree that energy equity is an important step in making the climate transition just and equitable. We will continue to work on behalf of all our members in the hope of ensuring a successful path forward.

Dated at Montpelier, Vermont, this 3rd day of June 2022.

Respectfully submitted,
VERMONT ELECTRIC COOPERATIVE, INC.

A handwritten signature in black ink, appearing to read 'A. Cohen', is written over a horizontal line.

By: Andrea Cohen, Manager
Government Affairs and Member Relations