

**STATE OF VERMONT
PUBLIC UTILITY COMMISSION**

Case No. _____-TF

Petition of Washington Electric Cooperative, Inc.)
for Approval of 14.19% Rate Increase)
effective on a service-rendered basis commencing)
November 1, 2022)

PETITION

Washington Electric Cooperative, Inc. (“WEC”), pursuant to 30 V.S.A. §§ 225, 226 and other applicable authority, petitions the Vermont Public Utility Commission (“Commission”) to approve a 14.19% increase in its rates and customer charges applied to all existing rate classes effective on a service-rendered basis commencing November 1, 2022 (representing a revenue increase of \$2,387,879).

1. WEC is a duly organized public service and not-for-profit cooperative with its principal place of business located in East Montpelier, Vermont. WEC is a “company” as defined by 30 V.S.A. § 201 and is subject to the Commission’s jurisdiction pursuant to 30 V.S.A. § 203.

2. The requested rate increase is necessary to provide WEC with those revenues required to provide efficient and reliable service to its members.

3. There are two primary cost drivers underlying this requested rate increase. First, the cost of power WEC purchases has increased while the amount of electricity generated by WEC’s main generation asset, the Coventry Landfill Gas to Energy Plant, has decreased. Second, WEC requires additional revenue to meet lender covenants.

4. WEC's power supply costs have increased by 8.3% or \$703,618 from the Test Year to the Rate Year. This cost reflects higher energy market costs across New England. See Shawn Enterline's Testimony. WEC has also had to purchase additional, more expensive power over the last year because of work and changes to the Coventry Landfill that caused a decline in production at the Coventry Landfill Gas to Energy Plant. Id. at 5, Lines 14-22 and Exhibits cited therein.

5. WEC needs to raise its net TIER benchmark to a ratio of at least 2.0. The higher net TIER reflects the need to meet Rural Utilities Service (RUS) loan covenant requirements. Porter Testimony at 2-3.

6. Other drivers of this proposed rate increase include decreased sales and increased costs resulting from additional net-metering facilities, and increased labor and health care, and administrative costs. See Exhibit WEC 1 at S 16 & 16C; Greenslit testimony at 2-3; Porter Testimony at 3-4.

7. WEC seeks approval of the proposed rate increase and corresponding tariffs effective on a service-rendered basis commencing November 1, 2022. 30 V.S.A. §§ 225 and 226.

8. The costs of service, calculations, methodology, and adjustments supporting this requested rate increase are detailed and explained in Exhibit 1, the testimony submitted by Louis Porter, Teia Greenslit, Shawn Enterline, and the exhibits supporting Mr. Enterline's testimony. Mr. Enterline's testimony and exhibits explain the adjustments to purchases of power and production costs, and REC revenues.

9. As documented in the supporting materials, the new rates are just and reasonable and are based on known and measurable parameters.

10. WEC submits the following in support of this Petition:

- Narrative Summary of WEC Rate Case.
- Exhibit WEC 1: Cost of Service and supporting schedules.
- Exhibit WEC 2: Comparison of Current and Proposed Rates
- Exhibit WEC 3A: Notice to WEC Members of Rate Increase
- Exhibit WEC 3B: Distribution of Notice
- Exhibit WEC 4: Redline Versions of Tariffs.
- Exhibit WEC 5: Tariff Sheets effective November 1, 2022.
- Testimony of Louis Porter
- Testimony of Teia Greenslit
- Testimony of Shawn Enterline and Exhibits WEC-SPE 1 through 11

WHEREFORE, WEC respectfully requests that the Commission approve the requested rate increase.

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WASHINGTON ELECTRIC
COOPERATIVE, INC.



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cc: Vermont Department of Public Service