

**STATE OF VERMONT
PUBLIC UTILITY COMMISSION**

Case No. 22-4100-TF

Tariff filing of Washington Electric Cooperative, Inc. for approval of a 14.19% rate increase effective on a service-rendered basis commencing November 1, 2022	
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**VERMONT DEPARTMENT OF PUBLIC SERVICE'S
RESPONSES TO THE COMMISSION'S REQUEST FOR INFORMATION**

With this filing, the Vermont Department of Public Service (“Department”) hereby responds to the Vermont Public Utility Commission’s (“Commission”) July 3, 2023 *Procedural Order Requesting Information*.

- I. [Washington Electric Cooperative, Inc. (“WEC”)] and the Department are requested to file comments on the ratemaking basis for applying the approved rate increase to the fixture installation, fixture equipment, and pole installation costs for the street lighting tariff and for the account set up fee, monthly account maintenance fee, and meter equipment cost for the net-metering tariff.**

Rate increases are, traditionally, applied equally across all tariffs and tariff components for municipal and cooperative electric utilities regardless of whether the tariff components are fixed or variable. This practice is consistent with traditional ratemaking principles as well 30 V.S.A. § 226, which states 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 under rate design tariffs previously approved by the [Commission]....” Given that WEC is a cooperative electric utility seeking a rate increase, that rate increase must be applied equally across all rate classes or subdivisions of ratepayers, including net metering ratepayers.

Relatedly, there are costs associated with utilizing and maintaining a production meter, fixture installations and equipment, pole installations, customer accounts, and account maintenance. These costs include, but are not limited to, labor, overhead, administrative and

general, and infrastructure. Thus, it is reasonable to expect the costs associated with a production meter, fixture installations and equipment, pole installations, customer accounts, and account maintenance to rise as a utility's cost-of-service rises.

II. We also request that WEC and the Department explain whether that same ratemaking basis should apply to the fees and charges in the fourth paragraph under "MEMBER-OWNED LED FIXTURES ON MEMBER PROPERTY" and the \$25 and \$50 reconnection fees under "SUSPENSION OF SERVICE" of Policy Bulletin No. 38 L.

Regarding "MEMBER-OWNED LED FIXTURES ON MEMBER PROPERTY," these costs should have also been increased and are subject to increases in general rate cases. For Reconnection fees under "SUSPENSION OF SERVICE," reconnection fees may serve as a deterrent to discourage customers from having their services frequently disconnected due to non-payment. By imposing a fee, the utility company aims to encourage customers to pay their bills on time and avoid unnecessary service interruptions. It is not clear that these fees are 100% cost based, and it is not clear these fees constitute a tariff for provided service and, as such, may not be subject to general ratemaking procedures.

III. The parties are requested to address the public comment filed by Stephen Bushman on June 26, 2023.

First, the Department appreciates Mr. Bushman's June 26, 2023 comments and agrees with Mr. Bushman's point regarding notice. Specifically, WEC should have provided proper notice regarding its Net-Metering Tariff, which it did not. Second, Mr. Bushman states that "a [utility's] Net Metering Tariff is to be revised through a case filing during the biennial update the process," and such proposed changes must be done "by a standalone tariff filing." The Department disagrees with this assessment. In Case No. 22-5375-TF, the Commission approved a change to a fixed charge in the Village of Morrisville Water & Light Department's net-metering tariff, the production

meter charge. That proceeding did not occur during the biennial update process, nor was that proceeding a standalone net-metering tariff proceeding. Thus, WEC does not need to wait for the biennial update process or file a separate net-metering tariff proceeding to update its net-metering tariff.

Dated at Montpelier, Vermont this 20th day of July, 2023.

VERMONT DEPARTMENT OF PUBLIC SERVICE

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