

VPPSA Member Utilities



- Barton Village
- The Village of Enosburg Falls
- Hardwick Electric Department
- Village of Jacksonville
- Village of Johnson
- Ludlow Electric Light Department
- Lyndonville Electric Department
- Morrisville Water & Light
- Northfield Electric Department
- Village of Orleans
- Swanton Village

About VPPSA

VPPSA was established by the Vermont Legislature in 1979.

- Provide services and solutions to communityowned utilities
- Allow for beneficial consolidation while maintaining local control

Putting the Public in Power.





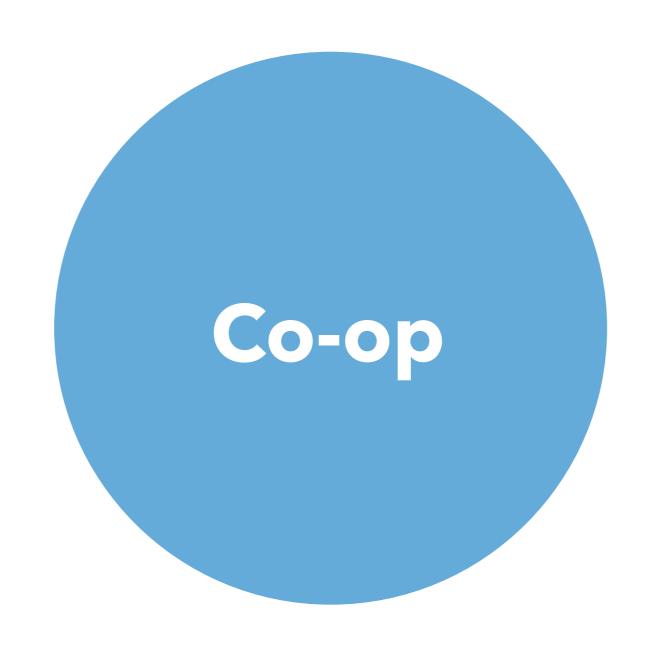
About VPPSA

- **Power Supply Purchasing**
- Financial Services
- Rates and Planning
- Legislative and Regulatory
- IT Support
- **Communication and Outreach**
- GIS and Field Services
- Renewable Energy Standard

Vermont Utilities



Green Mountain Power



- Vermont Electric Co-Op
- Washington Electric Co-Op



- Burlington Electric Department
- Stowe Electric Department
- Village of Hyde Park
- 11 VPPSA Members

Public Power Utilities

- Non-profit, publicly-owned.
 - Both VPPSA and its members operate on a not-for-profit basis
 - Any "rate of return" flows to customers
- Overseen by elected or appointed local governing body
 - Select Board or Electric Commission
- Transparent
 - Public meetings
 - Open books
- Fully regulated by the Public Utility Commission and Department of Public Service

Purpose of S. 60

- Provide the ability to implement *minor rate adjustments* without the added expense of full rate case
 - Up to 2% annually and 10% cumulatively without full rate case
 - Allow munis and coops to absorb cost drivers
- Allow munis and coops to offer innovative rates and services on a pilot basis
 - Changing energy landscape is requiring utilities to adapt to industry changes and customer desires
 - Option for these rates or services to become permanent following a pilot period

Rationale for S. 60

- Facilitates innovation necessary to meet Vermont's energy policies
 - Increased reliance on renewable resources and carbon reduction goals
- Allows municipal & cooperative utilities to quickly respond to energy industry transformation
 - Allows utilities to be flexible and serve modern needs and expectations
- Reduces costs and administrative burden of regulatory ratemaking processes
 - Helps minimize utility costs and accompanying electric rate pressure
- Provides rate stability by minimizing large, sporadic rate increases
 - Smooths impact on customers
- Improves municipal credit ratings and reduces ratepayer costs
 - Vermont's ratemaking environment has been cited as a concern to Moody's



Regulatory Safeguards

- Requires a traditional rate case to be eligible to implement minor rate adjustments
 - PUC approval of rates after January 1, 2021
- Retains DPS and PUC oversight
 - Requires advance notice of rate adjustments and pilot rates
 - Full PUC authority to investigate a pilot rate or minor rate adjustment at any time
- Requires periodic full PUC rate proceeding
 - No more than 2% per year
 - 10% cumulative threshold
- Rate adjustments require approval of the utility governing body

Contact Info

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Putting the Public in Power.

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