

Memorandum

From: Riley Allen, Deputy Commissioner, Vermont Department of Public Service

To: Senator Christopher Pearson and The Senate Finance Committee

Date: February 18, 2021

Re: Additional Information Regarding the Muni/Coop Customer Benefits of PUC and Department Rate Regulation

At the request of Senator Pearson, I have included additional information for the Senate Finance Committee on the benefits to municipal and cooperative ratepayers from formal, contested PUC rate case proceedings. In just the last 7 years, ratepayer savings from each formal rate case has grown to (an average of) \$187,979 per case, yielding ratepayer savings of over \$2 million. As discussed in Committee, these ratepayer benefits apply to the rate year (the year that rates take effect), but also to succeeding years such that the ratepayer benefits are much larger than what is reflected in the chart below.

Please let me know if there are further questions or further testimony from me is needed. Beyond these contested rate cases, ratepayers benefit from the additional rigor and transparency that comes with these formal rate filings, even when a contested case does not arise.

Municipal Utilities and COOPs		Original Request		After PSD Review	
Rate Year	Case	Amount (\$)	%	%	Savings
2013	Swanton Rate Increase	\$ 702,995	10.69%	1.00%	\$ 637,233
2013	Stowe Rate Increase	\$ -	0.00%	-3.50%	\$ 397,648
2014	WEC Rate increase	\$ 501,787	3.78%	3.78%	\$ -
2014	Swanton Rate Increase	\$ 490,499	7.42%	6.07%	\$ 89,242
2014	VEC Rate Increase	\$ 2,093,464	2.93%	2.93%	\$ -
2016	Swanton Rate Increase	\$ 325,607	4.52%	2.05%	\$ 177,931
2016	Barton Rate Increase	\$ 505,252	20.81%	16.17%	\$ 112,656
2017	WEC Rate increase	\$ 877,909	6.52%	5.95%	\$ 76,750
2018	WEC Rate increase	\$ 535,331	3.72%	3.72%	\$ -
2018	Stowe Rate Increase	\$ 1,036,456	7.90%	5.40%	\$ 408,567
2019	Village of Hyde Park	\$ 331,636	15.69%	7.75%	\$ 167,740
Total Reduction from PSD review					\$ 2,067,767