

STATE OF VERMONT
PUBLIC UTILITY COMMISSION

Case No. 25-0991-TF

Village of Ludlow Electric Light Department's tariff filing requesting an overall rate increase in the amount of 21.50%, to take effect July 1, 2025	
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**VERMONT DEPARTMENT OF PUBLIC SERVICE COMMENTS ON THE VILLAGE
OF LUDLOW ELECTRIC LIGHT DEPARTMENT'S REQUEST FOR A 21.5% RATE
INCREASE**

On May 16, 2025, the Village of Ludlow Electric Department (“LED”) filed a request with the Vermont Public Utility Commission (“Commission”) for a 21.5% rate increase (“Rate Change”),¹ pursuant to 30 V.S.A. §§ 225 and 226, for electric service rendered on or after the effective date of July 1, 2025. Based on a Test Year consisting of January 2024, through December 31, 2024, adjusted for known and measurable changes, LED predicts a revenue shortfall under its current rates for a Rate Year of July 1, 2025, through June 30, 2026. LED maintains that the main drivers of its Rate Change include, but are not limited to the following:

1. Increased power supply costs and Open Access Transmission Tariff costs;
2. A projected increase in labor expenses, including increased wages and the cost of employee medical insurance premiums and benefits;
3. And an adjustment of net-income to bring it to a level that reflects a Times Interest Earned Ratio (“TIER”) of 2.0.

Due to the magnitude of LED’s proposed Rate Change, the Vermont Department of Public Service (“Department”), pursuant to 30 V.S.A. § 225(b), respectfully recommends that the Commission: (1) open an investigation into the justness and reasonableness of LED’s proposed

¹ An overall increase in the retail revenue requirement of \$1,784,956, a 7.4% increase from the Test Year.

Rate Change; and (2) set a date for an initial conference to set out a litigation schedule for this proceeding. Opening an investigation in this proceeding will provide the Commission and the Department with the opportunity to ensure, among other things, that LED's estimates and forecasts used for ratemaking are fully updated and consistent with current market conditions prior to being approved.

Dated at Montpelier, Vermont this 16th Day of June 2025.

VERMONT DEPARTMENT OF PUBLIC SERVICE

By: /s/ Matthew Bakerpoole
Matthew Bakerpoole, Special Counsel
112 State Street
Montpelier, VT 05620
(802) 505-0538
matthew.bakerpoole@vermont.gov