

1 S.230

2 Introduced by Senator MacDonald

3 Referred to Committee on

4 Date:

5 Subject: Energy; public service; efficiency utility; energy efficiency charge

6 Statement of purpose of bill as introduced: This bill proposes to require that,
7 each year, the rate of the energy efficiency charge to each class be adjusted
8 according to the percentage of efficiency funding spent on that class during the
9 preceding year.

10 An act relating to allocation of the energy efficiency charge among
11 customer classes

12 It is hereby enacted by the General Assembly of the State of Vermont:

13 Sec. 1. 30 V.S.A. § 209(d)(3) is amended to read:

14 (3) Energy efficiency charge; regulated fuels. In addition to its existing
15 authority, the Commission may establish by order or rule a volumetric charge
16 to customers for the support of energy efficiency programs that meet the
17 requirements of section 218c of this title, with due consideration to the State's
18 energy policy under section 202a of this title and to its energy and economic
19 policy interests under section 218e of this title to maintain and enhance the
20 State's economic vitality. The charge shall be known as the energy efficiency

1 charge, shall be shown separately on each customer's bill, and shall be paid to
2 a fund administrator appointed by the Commission and deposited into the
3 Electric Efficiency Fund. When such a charge is shown, notice as to how to
4 obtain information about energy efficiency programs approved under this
5 section shall be provided in a manner directed by the Commission. This notice
6 shall include, at a minimum, a toll-free telephone number, and to the extent
7 feasible, shall be on the customer's bill and near the energy efficiency charge.

8 (A) Balances in the Electric Efficiency Fund shall be ratepayer funds,
9 shall be used to support the activities authorized in this subdivision, and shall
10 be carried forward and remain in the Fund at the end of each fiscal year. These
11 monies shall not be available to meet the general obligations of the State.
12 Interest earned shall remain in the Fund. The Commission will annually
13 provide the General Assembly with a report detailing the revenues collected
14 and the expenditures made for energy efficiency programs under this section.
15 The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not
16 apply to the report to be made under this subsection (d).

17 (B) The charge established by the Commission pursuant to this
18 subdivision (3) shall be in an amount determined by the Commission by rule or
19 order that is consistent with the principles of least-cost integrated planning as
20 defined in section 218c of this title.

1 (i) As circumstances and programs evolve, the amount of the
2 charge shall be reviewed for unrealized energy efficiency potential and shall be
3 adjusted as necessary in order to realize all reasonably available, cost-effective
4 energy efficiency savings.

5 (ii) In setting the amount of the charge and its allocation, the
6 Commission shall determine an appropriate balance among the following
7 objectives; provided, however, that particular emphasis shall be accorded to
8 the first four of these objectives: reducing the size of future power purchases;
9 reducing the generation of greenhouse gases; limiting the need to upgrade the
10 State's transmission and distribution infrastructure; minimizing the costs of
11 electricity; reducing Vermont's total energy demand, consumption, and
12 expenditures; providing efficiency and conservation as a part of a
13 comprehensive resource supply strategy; providing the opportunity for all
14 Vermonters to participate in efficiency and conservation programs; and
15 targeting efficiency and conservation efforts to locations, markets, or
16 customers where they may provide the greatest value. Each year, the
17 Commission shall then adjust the amount of the charge to be collected from
18 each customer class so the relative percentage of monies to be collected from
19 each customer class through the charge equals the relative percentage of
20 monies from the charge that was spent during the preceding year to deliver
21 services to the same class. In this subdivision (B)(ii), "relative percentage"

1 means the percentage of energy efficiency monies collected from or spent
2 delivering services to a customer class in relation to the amount of energy
3 efficiency monies collected from or spent delivering services to all customer
4 classes.

5 (iii) The Commission, by rule or order, shall establish a process by
6 which a customer who pays an average annual energy efficiency charge under
7 this subdivision (3) of at least \$5,000.00 may apply to the Commission to self-
8 administer energy efficiency through the use of an energy savings account
9 ~~which~~ that shall contain a percentage of the customer's energy efficiency
10 charge payments as determined by the Commission. The remaining portion of
11 the charge shall be used for systemwide energy benefits. The Commission in
12 its rules or order shall establish criteria for approval of these applications.

13 * * *

14 Sec. 2. EFFECTIVE DATE; IMPLEMENTATION

15 This act shall take effect on July 1, 2018 and shall be implemented for
16 energy efficiency charges under 30 V.S.A. § 209(d) starting with calendar year
17 2019.