

1 S.302

2 Introduced by Senator McAllister

3 Referred to Committee on

4 Date:

5 Subject: Energy; public service; energy efficiency; energy efficiency charge;  
6 waiver

7 Statement of purpose of bill as introduced: This bill proposes to allow an  
8 industrial ratepayer to obtain a waiver of the energy efficiency charge from the  
9 Public Service Board on a determination that the company has invested or will  
10 invest in all reasonably available, cost-effective energy efficiency measures at  
11 its plant.

12 An act relating to waiving the energy efficiency charge

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

14 Sec. 1. 30 V.S.A. § 209 is amended to read:

15 § 209. JURISDICTION; GENERAL SCOPE

16 \* \* \*

17 (d) Energy efficiency.

18 (1) Programs and measures. The Department of Public Service, any  
19 entity appointed by the Board under subdivision (2) of this subsection, all gas  
20 and electric utility companies, and the Board upon its own motion, are

1 encouraged to propose, develop, solicit, and monitor energy efficiency and  
2 conservation programs and measures, including appropriate combined heat and  
3 power systems that result in the conservation and efficient use of energy and  
4 meet the applicable air quality standards of the Agency of Natural Resources.  
5 Such programs and measures, and their implementation, may be approved by  
6 the Board if it determines they will be beneficial to the ratepayers of the  
7 companies after such notice and hearings as the Board may require by order or  
8 by rule. The Department of Public Service shall investigate the feasibility of  
9 enhancing and expanding the efficiency programs of gas utilities and shall  
10 make any appropriate proposals to the Board.

11 (2) Appointment of independent efficiency entities.

12 (A) Electricity and natural gas. In place of utility-specific programs  
13 developed pursuant to this section and section 218c of this title, the Board  
14 shall, after notice and opportunity for hearing, provide for the development,  
15 implementation, and monitoring of gas and electric energy efficiency and  
16 conservation programs and measures, including programs and measures  
17 delivered in multiple service territories, by one or more entities appointed by  
18 the Board for these purposes. The Board may include appropriate combined  
19 heat and power systems that result in the conservation and efficient use of  
20 energy and meet the applicable air quality standards of the Agency of Natural  
21 Resources. Except with regard to a transmission company, the Board may

1 specify that the appointment of an energy efficiency utility to deliver services  
2 within an electric utility's service territory satisfies that electric utility's  
3 corresponding obligations, in whole or in part, under section 218c of this title  
4 and under any prior orders of the Board.

5 \* \* \*

6 (3) Energy efficiency charge; regulated fuels. In addition to its existing  
7 authority, the Board may establish by order or rule a volumetric charge to  
8 customers for the support of energy efficiency programs that meet the  
9 requirements of section 218c of this title. The charge shall be known as the  
10 energy efficiency charge, shall be shown separately on each customer's bill,  
11 and shall be paid to a fund administrator appointed by the Board and deposited  
12 into an Electric Efficiency Fund. When such a charge is shown, notice as to  
13 how to obtain information about energy efficiency programs approved under  
14 this section shall be provided in a manner directed by the Board. This notice  
15 shall include, at a minimum, a toll-free telephone number, and to the extent  
16 feasible shall be on the customer's bill and near the energy efficiency charge.

17 \* \* \*

18 (B) The charge established by the Board pursuant to this subdivision  
19 (3) shall be in an amount determined by the Board by rule or order that is  
20 consistent with the principles of least cost integrated planning as defined in  
21 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 Board shall determine an appropriate balance among the following objectives;  
7 provided, however, that particular emphasis shall be accorded to the first four  
8 of these objectives: reducing the size of future power purchases; reducing the  
9 generation of greenhouse gases; limiting the need to upgrade the State's  
10 transmission and distribution infrastructure; minimizing the costs of electricity;  
11 providing efficiency and conservation as a part of a comprehensive resource  
12 supply strategy; providing the opportunity for all Vermonters to participate in  
13 efficiency and conservation programs; and the value of targeting efficiency and  
14 conservation efforts to locations, markets, or customers where they may  
15 provide the greatest value.

16           (iii) The Board, by rule or order, shall establish a process by  
17 which a customer who pays an average annual energy efficiency charge under  
18 subdivision (3) of at least \$5,000.00 may apply to the Board to self-administer  
19 energy efficiency through the use of an energy savings account which shall  
20 contain a percentage of the customer's energy efficiency charge payments as  
21 determined by the Board. The remaining portion of the charge shall be used

1 for systemwide energy benefits. The Board in its rules or order shall establish  
2 criteria for approval of these applications.

3 (iv) A ratepayer in the industrial class may request that the Board  
4 waive the ratepayer's payment of an energy efficiency charge established  
5 under this subdivision (3). The Board shall grant the requested waiver if it  
6 finds that the ratepayer has implemented or has in place a program that will  
7 result in the implementation of all reasonably available, cost-effective energy  
8 efficiency measures at its Vermont plant.

9 \* \* \*

10 Sec. 2. EFFECTIVE DATE

11 This act shall take effect on July 1, 2014.