

1 S.34

2 \_\_\_\_\_ moves that the House propose to the Senate that the bill be amended  
3 by striking out Sec. 5 in its entirety and inserting in lieu thereof new Secs. 5  
4 and 5a to read:

5 Sec. 5. REPORT; ENERGY EFFICIENCY CHARGE; COMMERCIAL AND  
6 INDUSTRIAL CUSTOMERS

7 (a) Report. On or before January 15, 2018, the Commissioner of Public  
8 Service (the Commissioner) shall submit a report with recommendations as  
9 described in subsection (b) of this section.

10 (1) In preparing the report, the Commissioner shall consult with the  
11 Secretary of Commerce and Community Development, the energy efficiency  
12 utilities (EEU) appointed under 30 V.S.A. § 209(d)(2), the regional  
13 development corporations, and other affected persons.

14 (2) The Commissioner shall submit the report to the Senate Committees  
15 on Finance, on Natural Resources and Energy, and on Agriculture and the  
16 House Committees on Ways and Means, on Energy and Technology, and on  
17 Agriculture and Forestry.

18 (b) The report shall provide the Commissioner's recommendations on:

19 (1) Whether and how to increase the use by commercial and industrial  
20 customers of self-administered efficiency programs under 30 V.S.A. § 209(d),  
21 including:

1           (A) potential methods and incentives to increase participation in self  
2           administration of energy efficiency;

3           (B) the potential inclusion of such methods and incentives in EEU  
4           demand resource plans; and

5           (C) periodic reporting by the EEUs of participation rates in self-  
6           administration of energy efficiency by commercial and industrial customers  
7           located in the small towns in the State’s rural areas. As used in this  
8           subdivision (C):

9           (i) “Rural area” means a county of the State designated as “rural”  
10           or “mostly rural” by the U.S. Census Bureau in its most recent decennial  
11           census.

12           (ii) “Small town” means a town in a rural area of the State with a  
13           population of less than 5,000 at the date of the most recent U.S. Census Bureau  
14           decennial census.

15           (2) The potential establishment of a multi-year pilot program that allows  
16           a category of commercial and industrial customers to apply the total amount of  
17           their Energy Efficiency Charge (EEC), for the period of the pilot, to  
18           investments that reduce the customer’s total energy consumption.

19           (A) The goal of such a program would be to significantly reduce all  
20           energy costs for the customer, and to transform the energy profile of the  
21           customer such that significant savings would be generated and endure over the

1 long-term. Customers in the program would receive the full amount of their  
2 EEC contributions for the period of the pilot in the form of direct services and  
3 incentives provided by an EEU, which would consider how to cost-effectively  
4 lower customer's bills across electric, heating, transportation, and process fuels  
5 using energy efficiency, demand management, energy storage, fuel-switching,  
6 and on-site renewable energy.

7 (B) In the report, the Commissioner shall consider:

8 (i) the definition of eligible commercial and industrial customers;

9 (ii) the potential establishment and implementation of such a  
10 program in a manner equivalent to an economic development rate for the EEU;

11 (iii) the interaction of such a program with the existing programs  
12 for self-managed energy efficiency under 30 V.S.A. § 209(d), including the  
13 Energy Savings Account, Self-Managed Energy Efficiency, and Customer  
14 Credit Programs;

15 (iv) the benefits and costs of such a program, including:

16 (I) reduction in the operating costs of participating customers;

17 (II) effect on job retention and creation and on economic  
18 development;

19 (III) effect on greenhouse gas emissions;

20 (IV) effect on system-wide efficiency benefits that would  
21 otherwise be obtained with the EEC funds, such as avoided supply costs,

1 avoided transmission and distribution costs, and avoided regional network  
2 service charges,

3 (V) the potential impact on commercial and industrial  
4 customers that may not be eligible to participate in such a program;

5 (VI) the extent to which such a program may result in cost  
6 shifts or subsidization among rate classes, and methods for avoiding or  
7 mitigating these effects;

8 (VII) costs of administration;

9 (VIII) any other benefits and costs of the potential program.

10 (v) The consistency of such a program with State energy goals and  
11 policy set forth in 10 V.S.A. §§ 578, 580 and 30 V.S.A. §§ 202a and 218e and  
12 with the State energy plans adopted pursuant to 30 V.S.A. §§ 202 and 202b.

13 (c) The report submitted under this section shall include a proposed  
14 timeline to phase in the recommendations contained in the report. In  
15 developing this timeline, the Commissioner shall consider the impact to the  
16 established budgets of the EEU's, the regulatory requirements applicable to the  
17 EEU's, and the value of rapid implementation of the recommendations.

18 Sec. 5a. 30 V.S.A. § 209(d) (3) is amended to read:

19 (3) Energy efficiency charge; regulated fuels. In addition to its existing  
20 authority, the Board may establish by order or rule a volumetric charge to  
21 customers for the support of energy efficiency programs that meet the

1 requirements of section 218c of this title, with due consideration to the State's  
2 energy policy under section 202a of this title and to its energy and economic  
3 policy interests under section 218e of this title to maintain and enhance the  
4 State's economic vitality. The charge shall be known as the energy efficiency  
5 charge, shall be shown separately on each customer's bill, and shall be paid to a  
6 fund administrator appointed by the Board and deposited into an Electric  
7 Efficiency Fund. When such a charge is shown, notice as to how to obtain  
8 information about energy efficiency programs approved under this section  
9 shall be provided in a manner directed by the Board. This notice shall include,  
10 at a minimum, a toll-free telephone number, and to the extent feasible shall be  
11 on the customer's bill and near the energy efficiency charge.

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