

S.34, Section 5 Proposed Amendment

On or before January 15, 2018, the Department of Public Service shall provide a recommendation to the General Assembly regarding how the Energy Efficiency Utilities (EEUs) might better deploy their services and incentives to encourage economic development and boost affordability, particularly among significant employers in small towns and rural parts of our state.

In preparing the recommendation, the Department shall consult with the Agency of Commerce and Community Development, the Energy Efficiency Utilities (EEU), the regional development corporations, and other interested stakeholders.

At a minimum, the recommendation by the Department shall:

- 1) Explore creation of a multi-year pilot program that allows a category of commercial and industrial customers to apply the total amount of their Energy Efficiency Charge (EEC), for the period of the pilot, to make investments that reduce the customer's total energy consumption. The goal of this program would be to dramatically reduce all energy costs for the customer, and to transform the energy profile of the customer such that significant savings would be generated and endure over the long-term. Customers in this program shall receive the full amount of their EEC contributions for the period of the pilot in the form of direct services and incentives provided by the Energy Efficiency Utility. The Energy Efficiency Utility will consider how to cost-effectively lower customer's bills across electric, heating, transportation, and process fuels using energy efficiency, demand management, energy storage, fuel-switching, and on-site renewable energy. In exploring such a program, the Department shall consider:
 - a. The definition of eligible customers;
 - b. The treatment of such a program as the equivalent to an economic development rate for the Energy Efficiency Utility (with reference to existing programs such as the Self-Managed Energy Efficiency Program, the Customer Credit Program, and Energy Savings Account Program);
 - c. The benefits of such a program for reducing customers' operating costs and thereby promoting job retention and economic development;
 - d. The potential impact on commercial and industrial customers that may not be eligible to participate in such a program;
 - e. The extent to which cost shifts or subsidization among rate classes may occur; and
 - f. The extent to which such a program would promote state energy goals.

- 2) Propose a timeline for phasing in any recommendations, with consideration of the impact to the Energy Efficiency Utilities' established budgets, regulatory requirements, and the value of rapid implementation of the measures.

