

1 Introduced by Representative Sibilila of Dover

2 Referred to Committee on

3 Date:

4 Subject: Energy; public service; energy efficiency charge; exemption; high
5 performance customers

6 Statement of purpose of bill as introduced: This bill proposes to exempt highly
7 energy efficient customers from the energy efficiency charge.

8 An act relating to a “high performance” exemption from the energy
9 efficiency charge

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

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

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

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

6 (A) Balances in the Electric Efficiency Fund shall be ratepayer funds,
7 shall be used to support the activities authorized in this subdivision, and shall
8 be carried forward and remain in the Fund at the end of each fiscal year. These
9 monies shall not be available to meet the general obligations of the State.

10 Interest earned shall remain in the Fund. The Commission will annually
11 provide the General Assembly with a report detailing the revenues collected
12 and the expenditures made for energy efficiency programs under this section.
13 The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not
14 apply to the report to be made under this subsection (d).

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

19 (i) As circumstances and programs evolve, the amount of the
20 charge shall be reviewed for unrealized energy efficiency potential and shall be

1 adjusted as necessary in order to realize all reasonably available, cost-effective
2 energy efficiency savings.

3 (ii) In setting the amount of the charge and its allocation, the
4 Commission shall determine an appropriate balance among the following
5 objectives; provided, however, that particular emphasis shall be accorded to
6 the first four of these objectives: reducing the size of future power purchases;
7 reducing the generation of greenhouse gases; limiting the need to upgrade the
8 State’s transmission and distribution infrastructure; minimizing the costs of
9 electricity; reducing Vermont’s total energy demand, consumption, and
10 expenditures; providing efficiency and conservation as a part of a
11 comprehensive resource supply strategy; providing the opportunity for all
12 Vermonters to participate in efficiency and conservation programs; and
13 targeting efficiency and conservation efforts to locations, markets, or
14 customers where they may provide the greatest value.

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

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

3 (iv) The Commission by rule shall establish a process under which
4 a high performance customer may obtain a whole or partial exemption from
5 the energy efficiency charge.

6 (I) As used in this subdivision (iv):

7 (aa) “Customer” means a retail electric or natural gas
8 consumer.

9 (bb) “High performance customer” means a customer
10 account that serves premises containing a building that is occupied for
11 residential, commercial, or industrial use and that is designed and constructed
12 to integrate and optimize the building’s attributes, including energy efficiency,
13 durability, life-cycle performance, and occupant productivity.

14 (II) In establishing a process under this section, the
15 Commission shall:

16 (aa) Identify and incorporate nationally or internationally
17 recognized standards to be used by customers to demonstrate eligibility for
18 exemption. Any such incorporated standards shall ensure that the served
19 premises meet a level of overall building energy performance that is
20 significantly more efficient than the performance that would result from

1 compliance with the building energy standards and stretch codes adopted under
2 chapter 2 of this title.

3 (bb) Determine the mechanism by which a customer
4 demonstrates that the served premises meet the incorporated standard or
5 standards.

6 (cc) Determine whether the exemption applies to the entirety
7 of the charge or a portion of the charge based on the Commission’s analysis of
8 the extent to which a high performance customer will continue to derive
9 benefit, if any, from activities funded by the charge.

10 (dd) Determine whether to require a periodic audit of some
11 or all categories of exempt customers, at the customer’s expense, to ensure that
12 the customer continues to be a high performance customer.

13 (ee) Require an exempt customer who no longer qualifies as
14 a high performance customer to resume paying the energy efficiency charge.

15 (III) A customer shall not be eligible for exemption under this
16 subdivision (iv) if the customer received incentives under this subsection (d)
17 for measures on which the customer’s claim to be a high performance
18 customer is based in whole or part.

19 (IV) A customer exempt under this subdivision (iv) shall be
20 ineligible to receive incentives or services from an entity appointed to deliver
21 energy efficiency under this subsection (d) except on a fee-for-service basis.

1 Sec. 2. EFFECTIVE DATE

2 This act shall take effect on July 1, 2018.