

S.337

Introduced by Committee on Natural Resources and Energy

Date: February 4, 2020

Subject: Public service; regulatory authority of the Public Utility Commission;  
energy efficiency programs and services

Statement of purpose of bill as introduced: This bill proposes to allow, for a period of three years, energy efficiency entities to use a portion of their budgets on programs to reduce greenhouse gas emissions in the thermal and transportation sectors.

An act relating to energy efficiency entities and programs to reduce greenhouse gas emissions in the thermal energy and transportation sectors

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

~~§. 1. ALLOWANCE OF THE USE OF ENERGY EFFICIENCY  
CHARGE FUNDS FOR GREENHOUSE GAS EMISSIONS  
REDUCTION PROGRAMS~~

~~(a) Notwithstanding any provision of law or order of the Public Utility Commission (PUC) to the contrary, for the calendar years 2021–2023, the PUC shall authorize any entity appointed to provide electric energy efficiency and conservation programs and measures pursuant to 30 V.S.A. § 209(d)(2)(A) to spend a portion, in an amount to be determined by the PUC but not to exceed \$2,000,000.00 per year, of its electric resource acquisition budget~~

1 ~~determined pursuant to 30 V.S.A. § 200(1)(2)(D) on programs, measures, and~~  
2 services that reduce greenhouse gas emissions in the thermal energy or  
3 transportation sectors, provided that the entity's total electric resource  
4 acquisition budget for 2021–2023 does not exceed the entity's total electric  
5 resource acquisition budget for 2018–2020.

6 (b) Programs, measures, and services authorized pursuant to subsection (a)  
7 of this section shall:

8 (1) Reduce greenhouse gas emissions in the thermal energy or  
9 transportation sectors, or both.

10 (2) Have a nexus with electricity usage.

11 (3) Be additive and complementary to and shall not replace or be in  
12 competition with electric utility energy transformation projects pursuant to  
13 30 V.S.A. § 8005(a)(3) such that they result in the largest possible greenhouse  
14 gas emissions reductions in a cost-effective manner.

15 (4) Be delivered on a statewide basis. However, if any of these funds  
16 are used for services specific to a retail electricity provider, the funds used for  
17 services to each retail electricity provider shall be in proportion to the energy  
18 efficiency charge collected in that territory.

19 (c) An entity that is approved to provide a program, measure, or service  
20 pursuant to this section shall provide the program, measure, or service in  
21 cooperation with a retail electricity provider.

1 ~~(1) The entity shall not claim any savings and reductions in fossil fuel~~  
2 ~~consumption and in greenhouse gas emissions by the customers of the retail~~  
3 ~~electricity provider resulting from the program, measure, or service if the~~  
4 ~~provider elects to offer the program, measure, or service pursuant to 30 V.S.A.~~  
5 ~~§ 8005(a)(3) unless the entity and provider agree upon how savings and~~  
6 ~~reductions should be accounted for, apportioned, and claimed.~~

7 ~~(2) The PUC shall develop standards and methods to appropriately~~  
8 ~~measure the effectiveness of the programs, measures, and services in relation~~  
9 ~~to the entity's Demand Resources Plan proceeding.~~

10 ~~(d) Any funds spent on programs, measures, and services pursuant to this~~  
11 ~~section shall not be counted towards the calculation of funds used by a retail~~  
12 ~~electricity provider for energy transformation projects pursuant to 30 V.S.A.~~  
13 ~~§ 8005(a)(3) and the calculation of project costs pursuant to 30 V.S.A.~~  
14 ~~§ 8005(a)(3)(C)(iv).~~

15 ~~(e) On or before April 30, 2021 and every April 30 for three years~~  
16 ~~thereafter, the PUC shall submit a written report to the House Committee on~~  
17 ~~Energy and Technology and the Senate Committees on Natural Resources and~~  
18 ~~Energy and on Finance concerning any programs, measures, and services~~  
19 ~~approved pursuant to this section.~~

20 ~~SEC. 2. EFFECTIVE DATE~~

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~~This bill shall take effect on passage and shall be repealed as of April 30, 2024.~~

*Sec. 1. ALLOWANCE OF THE USE OF ENERGY EFFICIENCY  
CHARGE FUNDS FOR GREENHOUSE GAS EMISSIONS  
REDUCTION PROGRAMS*

*(a) The electric resource acquisition budget for an entity appointed to provide electric energy efficiency and conservation programs and measures pursuant to 30 V.S.A. § 209(d)(2)(A) for the calendar years 2021–2023 shall be determined pursuant to 30 V.S.A. § 209(d)(3)(B). This section shall apply only if the entity’s total electric resource acquisition budget for 2021–2023 does not exceed the entity’s total electric resource acquisition budget for 2018–2020.*

*(b) Notwithstanding any provision of law or order of the Public Utility Commission (PUC) to the contrary, the PUC shall authorize an entity pursuant to subsection (a) of this section to spend a portion of its electric resource acquisition budget, in an amount to be determined by the PUC but not to exceed \$2,000,000.00 per year; on programs, measures, and services that reduce greenhouse gas emissions in the thermal energy or transportation sectors. Programs, measures, and services authorized pursuant to subsection (a) of this section shall:*

*(1) Reduce greenhouse gas emissions in the thermal energy or transportation sectors, or both.*

*(2) Have a nexus with electricity usage.*

*(3) Be additive and complementary to and shall not replace or be in competition with electric utility energy transformation projects pursuant to 30 V.S.A. § 8005(a)(3) such that they result in the largest possible greenhouse gas emissions reductions in a cost-effective manner.*

*(4) Be proposed after the entity consults with any relevant State agency or department and shall not be duplicative or in competition with programs delivered by that agency or department.*

*(5) Be delivered on a statewide basis. However, if any of these funds are used for services specific to a retail electricity provider, the funds used for services to each retail electricity provider for the calendar years 2021–2023 shall be reasonably proportionate to the energy efficiency charge collected in that territory.*

(c) An entity that is approved to provide a program, measure, or service pursuant to this section shall provide the program, measure, or service in cooperation with a retail electricity provider.

(1) The entity shall not claim any savings and reductions in fossil fuel consumption and in greenhouse gas emissions by the customers of the retail electricity provider resulting from the program, measure, or service if the provider elects to offer the program, measure, or service pursuant to 30 V.S.A. § 8005(a)(3) unless the entity and provider agree upon how savings and reductions should be accounted for, apportioned, and claimed.

(2) The PUC shall develop standards and methods to appropriately measure the effectiveness of the programs, measures, and services in relation to the entity's Demand Resources Plan proceeding.

(d) Any funds spent on programs, measures, and services pursuant to this section shall not be counted towards the calculation of funds used by a retail electricity provider for energy transformation projects pursuant to 30 V.S.A. § 8005(a)(3) and the calculation of project costs pursuant to 30 V.S.A. § 8005(a)(3)(C)(iv).

(e) On or before April 30, 2021 and every April 30 for three years thereafter, the PUC shall submit a written report to the House Committee on Energy and Technology and the Senate Committees on Natural Resources and Energy and on Finance concerning any programs, measures, and services approved pursuant to this section.

## **Sec. 2. EFFECTIVE DATE**

This act shall take effect on passage and shall be repealed as of April 30, 2024.