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Note: This document contains suggested amendments to Sec. 6 -7 of the Senate Natural proposed strike all amendment (# 341562) and new language adding additional sections. Secs. 1-5 (pages 1 – 13) of the Sen. Natural strike-all amendment, and the beverage redemption sections, are not impacted and are therefore not included in this document.

Amendments to Secs. 6 and 7 of the Sen. Natural proposed strike all, with changes highlighted in yellow.

* * * Efficiency Vermont; Public Utility Commission Proceeding * * *

Sec. 6. EFFICIENCY VERMONT; FUNDS FOR ADDITIONAL
THERMAL ENERGY EFFICIENCY SERVICES

(a) Notwithstanding any provision of law to the contrary, Efficiency Vermont may use the following funds in 2019 and 2020 for thermal energy and process fuel energy efficiency services in accordance with 30 V.S.A. § 209(e)(1), with priority to be given to weatherization services for residential customers, including those at income levels of 80–140 percent of the Area Median Income (AMI), and projects that may result in larger greenhouse gas (GHG) reductions:

1 (1) up to \$2,250,000.00 of any balances in the Electric Efficiency Fund
2 that are allocated to Efficiency Vermont and that are carried forward from
3 prior calendar years pursuant to 30 V.S.A. § 209(d)(3)(A); and

4 (2) any funds that are allocated to Efficiency Vermont and that, as a
5 result of operational efficiencies, are not spent on, or committed to, another
6 project or purpose in calendar years 2019 and 2020.

7 (b) Funds used pursuant to subsection (a) of this section shall not be used to
8 supplant existing programs and services and shall only be used to supplement
9 existing programs and services.

10 (c) Efficiency Vermont shall report to the Public Utility Commission on:

11 (1) how funds were spent pursuant to subsection (a) of this section; and

12 (2) the costs and benefits of the programs and services delivered.

13 Sec. 7. PUBLIC UTILITY COMMISSION PROCEEDING

14 (a) The Public Utility Commission shall open a proceeding, or continue an
15 existing proceeding, to consider the following:

16 (1) Creation of an all-fuels energy efficiency program. The Commission
17 shall consider whether to recommend that one or more entities should be
18 appointed to provide for the coordinated development, implementation, and
19 monitoring of efficiency, conservation, and related programs and services as to
20 all regulated fuels, unregulated fuels, and fossil fuels as defined in 30 V.S.A.

1 § 209(e)(3). The Commission shall consider all information it deems
2 appropriate and make recommendations as to:

3 (A) whether the appointment of an all-fuels efficiency entity or
4 entities to deliver the comprehensive and integrated programs and services
5 necessary to establish an all-fuels energy efficiency and conservation program
6 would, while continuing to further the objectives set forth in 30 V.S.A.

7 § 209(d)(3)(B):

8 (i) accelerate progress towards the State goals set forth in 10
9 V.S.A. §§ 578, 580, and 581;

10 (ii) accelerate progress towards the recommendations contained in
11 the State Comprehensive Energy Plan;

12 (iii) further the objectives set forth in 30 V.S.A. § 8005(a)(3);

13 (iv) develop and utilize a full cost-benefit, full life cycle
14 accounting method for analyzing energy policy and programs; and

15 (v) employ metrics that assess positive and negative externalities,
16 including health impacts on individuals and the public.

17 (B) the best model to accomplish the goals set forth in
18 subdivision (1)(A) of this subsection (a), including whether to recommend:

19 (i) the appointment of one or more new entities; or

20 (ii) the appointment of one or more entities that are currently
21 providing efficiency and conservation programs pursuant to 30 V.S.A.

1 § 209(d)(2) and distribution utilities that are currently providing programs and
2 services pursuant to 30 V.S.A. § 8005(a)(3).

3 (2) Expansion of the programs and services that efficiency utilities may
4 provide. The Commission shall consider whether to recommend that
5 efficiency programs and services, whether provided by entities currently
6 providing efficiency and conservation programs pursuant to 30 V.S.A.
7 § 209(d)(2), distribution utilities currently providing programs and services
8 pursuant to 30 V.S.A. § 8005(a)(3), or a new entity or entities recommended
9 pursuant to subdivision (1) of this subsection (a), should incorporate additional
10 technologies, services, and strategies, including:

11 (A) demand response;

12 (B) flexible load management;

13 (C) energy storage;

14 (D) reduction of fossil fuel use through electrification and the use of
15 renewable fuels and energy; and

16 (E) building shell improvement and weatherization.

17 (3) Funding.

18 (A) The Commission shall consider and recommend how best to
19 provide consistent, adequate, and equitable funding for efficiency,
20 conservation, and related programs and services, including:

1 (i) how to use existing or new funding sources to better support
2 existing efficiency and conservation programs and services, including those
3 described in Sec. 6 of this act, during the period the Commission is conducting
4 the proceeding pursuant to this subsection;

5 (ii) how to use existing or new funding sources to provide
6 sufficient funds to implement and support the Commission’s recommendations
7 made pursuant to subdivisions (1) and (2) of this subsection (a); and

8 (iii) whether Thermal Renewable Energy Certificates (T-RECs)
9 can be used to provide for the proper valuation of thermal load reduction
10 investments, to create a revenue stream to support thermal load reduction
11 work, and to evaluate the role of such work within the overall suite of energy
12 programs designed to reduce greenhouse gas (GHG) emissions and generate
13 savings for Vermonters.

14 (B) In reaching its recommendations pursuant to subdivision (A) of
15 this subdivision (3), the Commission shall consider how any recommendation
16 may affect the financial and economic well-being of Vermonters.

17 (b) The existing Energy Efficiency Utility Orders of Appointment issued
18 by the Public Utility Commission shall not be altered or revoked in the
19 proceeding pursuant to subsection (a).

20 (c) Process. The Commission shall schedule workshops and seek written
21 filings from all interested stakeholders and ensure that all stakeholders have an

1 opportunity to provide input. The Commission may use contested case
2 procedures if it deems appropriate.

3 **(d)** Reports. On or before:

4 (1) January 15, 2020, the Commission shall submit a preliminary report
5 to the House Committee on Energy and Technology and the Senate Committee
6 on Natural Resources and Energy concerning its progress and any preliminary
7 findings and recommendations as to subsection (a) of this section, including
8 recommendations as to subdivision (a)(3)(A) of this section, and any findings
9 and recommendations that may influence the scope and focus of Efficiency
10 Vermont's 2021-23 Demand Resources Plan Proceeding; and

11 (2) January 15, 2021, the Commission shall submit a final written report
12 to the House Committee on Energy and Technology and the Senate Committee
13 on Natural Resources and Energy with its findings and detailed
14 recommendations as to subsection (a) of this section, including
15 recommendations for legislative action.

16
17 *Language from here on is new and would be added as additional sections to*
18 *the bill.*

19 * * * Carbon Emissions Reduction Committee * * *

20 Sec. **X**. 2 V.S.A. chapter 17 is amended to read:

1 (c) The Office of Legislative Council shall provide legal, professional, and
2 administrative assistance to the Committee.

3 (d) For attendance at a meeting when the General Assembly is not in
4 session, members of the Committee shall be entitled to the same per diem
5 compensation and expense reimbursement as provided members of standing
6 committees pursuant to section 406 of this title.

7 § 602. EMPLOYEES; RULES

8 ~~(a) The Joint Energy Committee shall meet following the appointment of its~~
9 ~~membership to organize and begin the conduct of its business.~~

10 ~~(b) The staff of the Office of Legislative Council shall provide professional~~
11 ~~and clerical assistance to the Joint Committee.~~

12 ~~(c) For attendance at a meeting when the General Assembly is not in~~
13 ~~session, members of the Joint Energy Committee shall be entitled to the same~~
14 ~~per diem compensation and reimbursement for necessary expenses as provided~~
15 ~~members of standing committees under section 406 of this title.~~

16 ~~(d) The Joint Energy Committee shall keep minutes of its meetings and~~
17 ~~maintain a file thereof. [Repealed.]~~

18 § 603. FUNCTIONS DUTIES

19 The Joint ~~Energy~~ Carbon Emissions Reduction Committee shall:

20 ~~(1) carry on a continuing review of all energy matters in the State and in~~
21 ~~the northeast region of the United States, including energy sources, energy~~

1 ~~distribution, energy costs, energy planning, energy conservation, and pertinent~~
2 ~~related subjects;~~

3 ~~(2) work with, assist, and advise other committees of the General~~
4 ~~Assembly, the Executive, and the public in energy related matters within their~~
5 ~~respective responsibilities~~ provide oversight when the General Assembly is not
6 in session of State policies and activities concerning and affecting carbon
7 emissions from Vermont’s electric, residential and commercial buildings, and
8 transportation sectors.

9 * * * VLITE and the Home Weatherization Assistance Fund * * *

10 Sec. **X.** 33 V.S.A. § 2501 is amended to read:

11 § 2501. HOME WEATHERIZATION ASSISTANCE FUND

12 (a) There is created in the State Treasury a fund to be known as the Home
13 Weatherization Assistance Fund to be expended by the Director of the State
14 Office of Economic Opportunity in accordance with federal law and this
15 chapter.

16 (b) The Fund shall be composed of the receipts from the gross receipts tax
17 on retail sales of fuel imposed by section 2503 of this title, such funds as may
18 be allocated from the Oil Overcharge Fund, such funds as may be allocated
19 from the federal Low Income Energy Assistance Program, such funds as may
20 be deposited or transferred into the Fund by the Vermont Low Income Trust

1 for Electricity, and such other funds as may be appropriated by the General
2 Assembly.

3 * * *

4 Sec. **X.** HOME WEATHERIZATION ASSISTANCE PROGRAM;

5 VERMONT LOW INCOME TRUST FOR ELECTRICITY

6 (a) The General Assembly finds that:

7 (1) It is the energy policy of the State to substantially increase the
8 number of homes weatherized each year in order to meet the goals set forth in
9 10 V.S.A. § 581 and in the State Comprehensive Energy Plan.

10 (2) In its January 2019 report prepared for the General Assembly, *An*
11 *Analysis of Decarbonization Methods in Vermont*, Resources for the Future
12 stated that Vermont’s Greenhouse Gas emissions are concentrated in two areas,
13 heating and transportation. The Regulatory Assistance Project (RAP), in its
14 related report, *Economic Benefits and Energy Savings Through Low-Cost*
15 *Carbon Management*, issued in February 2019, found that energy efficiency
16 initiatives, including home insulation and weatherization, are key to meeting
17 Vermont’s climate goals. As a result, the RAP recommended expanding the
18 Home Weatherization Assistance Program pursuant to 33 V.S.A. chapter 25.

19 (3) The mission of the Vermont Low Income Trust for Electricity
20 (VLITE) is to fund projects that further the State’s energy policy and that assist

1 Vermonters with low-income. VLITE uses dividends from Vermont Electric
2 Power Company (VELCO) stock that it owns to fund such projects.

3 (4) VLITE investing the dividends from its VELCO stock in the Home
4 Weatherization Assistance Program will implement the RAP recommendation
5 to expand this Program, help the State achieve its carbon reduction goals
6 pursuant to statute and the Comprehensive Energy Plan, and also assist
7 Vermonters with low-income to reduce fossil fuel use and save money.

8 (b) The General Assembly finds that investing the dividends from VLITE’s
9 VELCO stock in the Home Weatherization Assistance Program is consistent
10 with VLITE’s mission and furthers the State’s energy plan and Greenhouse
11 Gas reduction goals. As a result, the General Assembly strongly encourages
12 VLITE to invest the dividends from its VELCO stock into the Home
13 Weatherization Assistance Fund pursuant to 33 V.S.A. § 2501.

14 * * * Supplemental Weatherization Funding * * *

15 Sec. **X.** SUPPLEMENTAL WEATHERIZATION FUNDING

16 In fiscal year 2020, \$350,000.00 is appropriated from the General Fund to
17 Efficiency Vermont for weatherization programs and services pursuant to
18 subsection (a) of Sec. 6 of this act.