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S.171 Senate Committee on Natural Resources & Energy April 26, 2019

Sen. Bray's proposed amend (#341088 v.7) Issues & decision points for Committee discussion

Sec. 1. EFFICIENCY VERMONT; FUNDS FOR ADDITIONAL THERMAL ENERGY EFFICIENCY SERVICES

Notwithstanding any provision of law to the contrary, Efficiency Vermont may use the following funds for thermal energy and process fuel energy efficiency services in accordance with 30 V.S.A. § 209(e)(1):

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

(2) any funds that are allocated to Efficiency Vermont and that are not spent for another purpose in calendar years 2019 and 2020.

Questions & decision points for the Committee:

- 1. Do you wish to allow EVT to use 2019-20 carry-forward and unspent funds?
 - Other options include status quo, allowing EVT to only use part of these funds, return to ratepayers, or use for another purpose.
- 2. If yes, for what projects / services?
 - Any thermal efficiency service allowed under current law?
 - Only for weatherization services?
 - Only for low- or moderate-income weatherization services?

3. Other suggestions from witnesses:

- Specify maximum amount (\$4M)?
- *Limit to carry-forward [keep (1) & eliminate (2)]?*
- Require inform PUC?

Sec. 2. PUBLIC UTILITY COMMISSION PROCEEDING

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

(1) Creation of an all-fuels efficiency utility or utilities. Whether one or more entities should be appointed to provide for the coordinated development, implementation, and monitoring of efficiency, conservation, and related programs and services as to all regulated fuels, unregulated fuels, and fossil fuels as defined in 30 V.S.A. § 209(e)(3). The Commission shall consider all information and factors it deems appropriate, including whether the appointment of one or more such entities would:

(A) help achieve the State goals set forth in 10 V.S.A. §§ 578, 580, and 581;

(B) further the recommendations contained in the State Comprehensive Energy Plan;

(C) further the objectives set forth in 30 V.S.A. § 209(d)(3)(B);

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

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

Questions & decision points for the Committee:

- 1. Do you wish PUC to open, or continue, a proceeding concerning the potential creation of an all-fuels EEU or EEUs?
- 2. *If yes:*
 - "One or more" or only one?
 - New or existing EEUs?
 - Rephrase in terms existing EEUs assume larger mandate?
- *3. If yes, any changes to factors to consider:*
 - Make carbon reduction more explicit?
- 4. Other suggestions from witnesses:
 - Tier III & expanding role utilities
 - Exempt Burlington (BED & VT Gas)

(2) Expansion of the programs and services efficiency utilities may provide. Whether efficiency programs and services, whether provided by an existing entity appointed by the Commission or provided by one or more new entities pursuant to subdivision (1) of this subsection, should incorporate additional technologies and strategies, including:

(A) demand response;

(B) flexible load management to reduce electric peak usage;

(C) energy storage;

(D) reduction of fossil fuel use through electrification; and

(E) building shell improvement and weatherization.

Questions & decision points for the Committee:

- 1. Do you wish PUC to open, or continue, a proceeding concerning expanding efficiency services provided by EEUs (whether new or existing)?
- 2. If yes, any changes to factors to consider?
 - In (D) add "... use renewable energy ..." "or specific references to biomass / biodiesel / renewable natural gas?

(3) Funding. How best to provide consistent and adequate funding for these programs and services.

Questions & decision points for the Committee: 1. *Keep this language; any questions or changes?*

(b) Process. The Commission shall schedule workshops and seek written filings from all interested stakeholders and ensure that all stakeholders have an opportunity to provide input.

Questions & decision points for the Committee:

- 1. Necessary?
- 2. Keep this language; any questions or changes?

(c) Reports. On or before:

(1) January 15, 2020, the Commission shall submit a preliminary report to the House Committee on Energy and Technology and the Senate Committee on Natural Resources and Energy concerning its progress and any preliminary findings and recommendations; and

(2) January 15, 2021, the Commission shall submit a final written report to the House Committee on Energy and Technology and the Senate Committee on Natural Resources and Energy with its findings and any recommendations, including any recommendations for legislative action.

Questions & decision points for the Committee:

1. Keep this language; any questions or changes?