

1 TO THE HONORABLE SENATE:

2 The Committee on Finance to which was referred Senate Bill No. 60  
3 entitled “An act relating to allowing municipal and cooperative utilities to offer  
4 innovative rates and services” respectfully reports that it has considered the  
5 same and recommends that the bill be amended by striking out all after the  
6 enacting clause and inserting in lieu thereof the following:

7 Sec. 1. 30 V.S.A. § 218d(n) is added to read:

8 (n)(1) Notwithstanding subsection (a) of this section and sections 218, 225,  
9 226, 227, and 229 of this title, a municipal company formed under local charter  
10 or under chapter 79 of this title and an electric cooperative formed under  
11 chapter 81 of this title shall be authorized to change its rates for service to its  
12 customers if the rate change is:

13 (A) applied to all customers equally;

14 (B) not more than two percent during any twelve-month period; and

15 (C) not more than 10 percent cumulatively from the rates last

16 approved by the Commission.

17 (2) The municipal company or electric cooperative shall provide written  
18 notice of a rate change pursuant to this subsection to its customers, the  
19 Department of Public Service, and the Commission at least 45 days prior to  
20 implementing the rate change. Included with the submission shall be a rate  
21 analysis describing the rationale for the rate change. Unless an objection to the

1 rate change is filed with the Commission within 45 days of this notice or the  
2 Commission orders an investigation on its own motion, the municipal  
3 company or electric cooperative may implement the rate change.

4 (3) A municipal company or electric cooperative shall be eligible to  
5 change its rates pursuant to this subsection **only if** it has received approval for  
6 a rate change from the Commission **to be effective on or after** January 1, 2021.

7 (4) The Commission **shall** establish, by rule or order, standards and  
8 procedures for implementing this subsection.

9 (o)(1) Notwithstanding subsections (a) and (n) of this section and sections  
10 **218, 225, 226, 227, and** 229 of this title, a municipal company formed under  
11 local charter or under chapter 79 of this title and an electric cooperative formed  
12 under chapter 81 of this title shall be authorized to offer innovative rates or  
13 services to their customers as pilot programs without obtaining prior approval  
14 from the Commission if the rate or service:

15 (A) is designed to satisfy the requirements of subdivision 8005(a)(3)  
16 of this title or to advance the goals of the State Comprehensive Energy Plan;

17 (B) has a duration of 18 months or less; and

18 (C) shall not result in:

19 (i) plant additions of more than two percent of the municipal  
20 company's or electric cooperative's net plant capacity; or

1                   (ii) an increase in the municipal company’s or electric  
2                   cooperative’s overall cost-of-service by more than two percent.

3                   (2) The municipal company or electric cooperative shall provide written  
4                   notice of an innovative rate or service to its customers, the Department of  
5                   Public Service, and the Commission at least 45 days prior to offering the  
6                   innovative rate or service to its customers. Included with the submission shall  
7                   be the terms and conditions of service. Unless an objection to the innovative  
8                   rate or service is filed with the Commission within 45 days of this notice or the  
9                   Commission orders an investigation on its own motion, the municipal  
10                  company or electric cooperative may commence offering the innovative rate or  
11                  service to its customers.

12                  (3) The municipal company or electric cooperative shall provide written  
13                  notice to the Department of Public Service and the Commission at least  
14                  45 days prior to the end of an innovative rate or service duration period with  
15                  any proposed modifications to the terms and conditions. Unless an objection  
16                  to the innovative rate or service is filed with the Commission within 45 days of  
17                  this notice or the Commission orders an investigation on its own motion, the  
18                  municipal company or electric cooperative may continue offering the  
19                  innovative rate or service to its customers. The Commission may allow for the  
20                  innovative rate or service to remain in effect pending the outcome of an  
21                  investigation into the notice filing.

1           (4) The Commission may establish, by rule or order, standards and  
2           procedures for implementing and interpreting this section.

3           Sec. 2. EFFECTIVE DATE

4           This act shall take effect on July 1, 2021.

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7           (Committee vote: \_\_\_\_\_)

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Senator \_\_\_\_\_

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FOR THE COMMITTEE