

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) **cumulatively** not more than 10 percent from the rates last

16 approved by the Commission; or

17 **(D) not going to take effect more than 10 years from the last approval**

18 **for a rate change from the Commission.**

19 (2) The municipal company or electric cooperative shall provide written

20 notice of a rate change pursuant to this subsection to **its customers**, the

21 Department of Public Service, and the Commission at least 45 days prior to

1 implementing the rate change. Included with the submission shall be a rate
2 analysis describing the rationale for the rate change. Unless an objection to the
3 rate change is filed by the Department of Public Service with the Commission
4 within 45 days of this notice or the Commission orders an investigation on its
5 own motion, the municipal company or electric cooperative may implement
6 the rate change.

7 (3) If the Department does not object to the change as provided in this
8 subsection, five persons adversely affected by the change may apply at their
9 own expense to the Commission by petition alleging why the change is
10 unreasonable and unjust and asking that the Commission investigate the matter
11 and make such orders as justice and law require.

12 (4) A municipal company or electric cooperative shall be eligible to
13 change its rates pursuant to this subsection only if it has received approval for
14 a rate change from its governing body at a duly warned meeting held for such
15 purpose prior to filing its written notice with the Department and the
16 Commission.

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

20 (6) The Commission shall establish, by rule or order, standards and
21 procedures for implementing this subsection.

1 (o)(1) Notwithstanding subsections (a) and (n) of this section and sections
2 218, 225, 226, 227, and 229 of this title, a municipal company formed under
3 local charter or under chapter 79 of this title and an electric cooperative formed
4 under chapter 81 of this title shall be authorized to offer innovative rates or
5 services to their customers as pilot programs without obtaining prior approval
6 from the Commission if the rate or service:

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

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

10 (C) shall not result in:

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

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

15 (2) The municipal company or electric cooperative shall provide written
16 notice of an innovative rate or service to its customers, the Department of
17 Public Service, and the Commission at least 45 days prior to offering the
18 innovative rate or service to its customers. Included with the submission shall
19 be the terms and conditions of service. Unless an objection to the innovative
20 rate or service is filed with the Commission within 45 days of this notice or the
21 Commission orders an investigation on its own motion, the municipal

1 company or electric cooperative may commence offering the innovative rate or
2 service to its customers.

3 (3) The municipal company or electric cooperative shall provide written
4 notice to the Department of Public Service and the Commission at least
5 45 days prior to the end of an innovative rate or service duration period with
6 any proposed modifications to the terms and conditions. Unless an objection
7 to the innovative rate or service is filed with the Commission within 45 days of
8 this notice or the Commission orders an investigation on its own motion, the
9 municipal company or electric cooperative may continue offering the
10 innovative rate or service to its customers. The Commission may allow for the
11 innovative rate or service to remain in effect pending the outcome of an
12 investigation into the notice filing.

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

15 Sec. 2. EFFECTIVE DATE

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

17
18 (Committee vote: _____)

19 _____

20 Senator _____

21 FOR THE COMMITTEE