

1 S.60

2 Introduced by Senator Cummings

3 Referred to Committee on

4 Date:

5 Subject: Public service; general powers; alternative regulation of electric and
6 natural gas companies

7 Statement of purpose of bill as introduced: This bill proposes to allow

8 municipal and cooperative utilities to offer innovative rates and services to

9 their customers. The bill also proposes to allow municipal and cooperative utilities
the opportunity to implement minor across-the-board rate increases with streamlined
regulatory review.

10 An act relating to allowing municipal and cooperative utilities to offer
11 innovative rates and services

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

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

14 (n)(1) Notwithstanding subsection (a) of this section and sections 218, 225-227,
and 229 of this

15 title, a municipal company formed under local charter or under chapter 79 of

16 this title and an electric cooperative formed under chapter 81 of this title shall

17 be authorized to change their rates for service to their customers if the rate

18 change is:

19 (A) applied to all customers equally;

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

1 ~~(C) not more than 10 percent **cumulatively** from the rates last approved by~~
the

42 (2) The municipal company or electric cooperative shall provide written
53 notice of a rate change pursuant to this subsection to the Department of Public
64 Service and the Commission at least 45 days prior to implementing the rate
75 change. Included with the submission shall be a rate analysis describing the
86 rationale for the rate change. Unless an objection to the rate change is filed
97 with the Commission within 45 days of this notice or the Commission orders
108 an investigation on its own motion, the municipal company or electric
119 cooperative may implement the rate change.

1210 (3) A municipal company or electric cooperative shall be eligible to
1311 change its rates pursuant to this subsection **only if** it has received approval for
a
1412 rate change from the Commission after January 1, 2021.

~~1613 (4) The Commission may establish, by rule or order, standards and
1714 procedures for implementing and interpreting this subsection.~~

Commented [A1]: We deleted this paragraph because we think this is already covered by Sec. 1, (n)(1)(C) above.

1 (o)(1) Notwithstanding subsections (a) and (n) of this section and sections 218,
2 225-227, and
3 229 of this title, a municipal company formed under local charter or under
4 chapter 79 of this title and an electric cooperative formed under chapter 81 of
5 this title shall be authorized to offer innovative rates or services to their
6 customers as pilot programs without obtaining prior approval from the
7 Commission if the rate or service:
8 (A) is designed to satisfy the requirements of subdivision 8005(a)(3)
9 of this title or to advance the goals of the State Comprehensive Energy Plan;
10 (B) has a duration of 18 months or less; and
11 (C) shall not result in:
12 (i) plant additions of more than two percent of the municipal
13 company's or electric cooperative's net plant capacity; or
14 (ii) an increase in the municipal company's or electric
15 cooperative's overall cost-of-service by more than two percent.
16 (2) The municipal company or electric cooperative shall provide written
17 notice of an innovative rate or service to the Department of Public Service and
18 the Commission at least 45 days prior to offering the innovative rate or service
19 to its customers. Included with the submission shall be the terms and
20 conditions of service. Unless an objection to the innovative rate or service is
21 filed with the Commission within 45 days of this notice or the Commission
 orders an investigation on its own motion, the municipal company or electric

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