112 State Street 4th Floor Montpelier, VT 05620-2701 TEL: 802-828-2358



TTY/TDD (VT: 800-253-0191) FAX: 802-828-3351 E-mail: Commission.clerk@vermont.gov Internet: <u>http://Commission.vermont.gov</u>

State of Vermont Public Utility Commission

MEMORANDUM

To: Chair Amy Sheldon, Vermont House Committee on Environment and Energy

From: The Vermont Public Utility Commission

Re: Act 47, § 25a

Date: February 8, 2024

The Vermont Public Utility Commission ("Commission") submits this memorandum and supporting documents to respond to Act 47, § 25a, passed during the last legislative session. On January 12, 2024, the Commission provided an update to your committee regarding our progress in response to Act 47. In that update, we committed to providing suggested legislative language by February 9, 2024. This memo explains the basis for providing the committee with the attached Commission rules as a model for potential legislation.

The Act contains two directives for the Commission: (1) to revise its rules on utility service disconnection in accordance with § 25a(a) and (c); and (2) to submit draft legislation that incorporates the rules promulgated pursuant to § 25a(a) and (c) for water and sewer utilities not subject to the Commission's jurisdiction.

On February 8, 2024, the Commission filed amendments to its utility disconnection rules for regulated electric, gas, water, and cable television companies with the Interagency Committee on Administrative Rules. These proposed rule amendments, which were developed following an informal rulemaking that included workshops and substantive feedback from affected utilities regulated by the Commission and from other stakeholders, incorporate the requirements of Act 47, § 25a.

With respect to the mandate to provide the Legislature with draft legislation regarding disconnections by utilities not subject to the Commission's jurisdiction, we submit our proposed amended disconnection rules, including redline copies to show relevant changes. Because the Commission does not regulate all utility entities, such as municipally-owned water and sewer utilities, we are not familiar with those unregulated utilities' current disconnection practices and cannot assess whether the procedures that the Commission utilizes for regulated entities are the best, or even an applicable, approach to those utilities.

Nonetheless, we recognize that the proposed amendments that we have added to our disconnection rules may be helpful if the Legislature considers revisions to 24 V.S.A. Ch. 129, which governs disconnections by municipal utilities not subject to our jurisdiction. However,



because the changes proposed to our utility disconnection rules may not be directly applicable to municipally owned water and sewer utilities, we are presenting our proposed rule amendments as a model for potential statutory amendments rather than draft legislation.