

1 Introduced by Committee on Natural Resources and Energy

2 Date:

3 Subject: Public service; Public Utility Commission; energy efficiency
4 programs

5 Statement of purpose of bill as introduced: This bill proposes to extend the
6 pilot program established in 2020 Acts and Resolves No. 151. It would also
7 allow thermal energy and process fuel efficiency funding to be spent on
8 measures allowed under the pilot program.

9 An act relating to energy efficiency modernization

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

11 Sec. 1. 2020 Acts and Resolves No. 151, Sec. 1 is amended to read:

12 Sec. 1. ALLOWANCE OF THE USE OF ENERGY EFFICIENCY

13 CHARGE FUNDS FOR GREENHOUSE GAS EMISSIONS

14 REDUCTION PROGRAMS

15 (a) The electric resource acquisition budget for an entity appointed to
16 provide electric energy efficiency and conservation programs and measures
17 pursuant to 30 V.S.A. § 209(d)(2)(A) for the calendar years ~~2021–2023~~ 2021–
18 2026 shall be determined pursuant to 30 V.S.A. § 209(d)(3)(B). This section
19 shall apply only if the entity’s total electric resource acquisition budget for

1 ~~2021–2023~~ 2021–2026 does not exceed the entity’s total electric resource
2 acquisition budget for 2018–2020.

3 (b) Notwithstanding any provision of law or order of the Public Utility
4 Commission (PUC) to the contrary, the PUC shall authorize an entity pursuant
5 to subsection (a) of this section to spend ~~a portion of~~ in addition to its electric
6 resource acquisition budget, ~~in~~ an amount to be determined by the PUC but not
7 to exceed \$2,000,000.00 per year, on programs, measures, and services that
8 reduce greenhouse gas emissions in the thermal energy or transportation
9 sectors. Programs, measures, and services authorized pursuant to subsection
10 (a) of this section shall:

11 (1) Reduce greenhouse gas emissions in the thermal energy or
12 transportation sectors, or both.

13 (2) Have a nexus with electricity usage.

14 (3) Be additive and complementary to and shall not replace or be in
15 competition with electric utility energy transformation projects pursuant to
16 30 V.S.A. § 8005(a)(3) such that they result in the largest possible greenhouse
17 gas emissions reductions in a cost-effective manner.

18 (4) Be proposed after the entity consults with any relevant State agency
19 or department and shall not be duplicative or in competition with programs
20 delivered by that agency or department.

1 (5) Be delivered on a statewide basis. However, ~~if any of these funds~~
2 ~~are used for services specific to a retail electricity provider, the funds used for~~
3 ~~services to each retail electricity provider for the calendar years 2021– 2023~~
4 ~~shall be reasonably proportionate to the energy efficiency charge collected in~~
5 ~~that territory~~ this shall not preclude the delivery of services specific to a retail
6 electricity provider. Should such services be offered, Vermont Public Power
7 Supply Authority member utilities shall be provided the opportunity to offer
8 retail electricity provider-specific programs, and those services shall be
9 designed and coordinated in partnership with the Vermont Public Power
10 Supply Authority. When retail electricity provider-specific programs are
11 offered to any electric distribution utility, Vermont Public Power Supply
12 Authority member utilities shall be offered the opportunity to participate in
13 these programs. The proportion of utility-specific program funds used for
14 services to customers of Vermont Public Power Supply Authority member
15 utilities shall be no less than the proportionate share of the energy efficiency
16 charge collected across their combined territories during the period this section
17 remains in effect.

18 (c) An entity that is approved to provide a program, measure, or service
19 pursuant to this section shall provide the program, measure, or service in
20 cooperation with a retail electricity provider.

1 (1) The entity shall not claim any savings and reductions in fossil fuel
2 consumption and in greenhouse gas emissions by the customers of the retail
3 electricity provider resulting from the program, measure, or service if the
4 provider elects to offer the program, measure, or service pursuant to 30 V.S.A.
5 § 8005(a)(3) unless the entity and provider agree upon how savings and
6 reductions should be accounted for, apportioned, and claimed.

7 (2) The PUC shall develop standards and methods to appropriately
8 measure the effectiveness of the programs, measures, and services in relation
9 to the entity’s Demand Resources Plan proceeding.

10 (d) Any funds spent on programs, measures, and services pursuant to this
11 section shall not be counted towards the calculation of funds used by a retail
12 electricity provider for energy transformation projects pursuant to 30 V.S.A.
13 § 8005(a)(3) and the calculation of project costs pursuant to 30 V.S.A.
14 § 8005(a)(3)(C)(iv).

15 (e) On or before April 30, 2021 and every April 30 for ~~three~~ six years
16 thereafter, the PUC shall submit a written report to the House Committee on
17 ~~Energy and Technology~~ Environment and Energy and the Senate Committees
18 on Natural Resources and Energy and on Finance concerning any programs,
19 measures, and services approved pursuant to this section.

1 Sec. 2 2020 Acts and Resolves No. 151, Sec. 2 is amended to read:

2 Sec. 2. EFFECTIVE DATE

3 This act shall take effect on passage and shall be repealed as of April 30,
4 ~~2024~~ 2027.

5 Sec. 3. 30 V.S.A. § 209(e) is amended to read:

6 (e) Thermal energy and process fuel efficiency funding.

7 (1) Each of the following shall be used to deliver thermal energy and
8 process fuel energy efficiency services in accordance with this section for
9 unregulated fuels to Vermont consumers of such fuels. In addition, the
10 Commission may authorize an entity appointed to deliver such services under
11 subdivision (d)(2)(B) of this section to use monies subject to this subsection
12 for the engineering, design, and construction of facilities for the conversion of
13 thermal energy customers using fossil fuels to district heat if the majority of
14 the district's energy is from biomass sources, the district's distribution system
15 is highly energy efficient, and such conversion is cost effective or for thermal
16 measures or programs that reduce fossil fuel use regardless of the preexisting
17 fuel source of the customer, including measures or programs permissible under
18 2020 Acts and Resolves No. 151.

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20 Sec. 4. EFFECTIVE DATE

21 This act shall take effect on passage.