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H.753

Introduced by Representatives Torre of Moretown and Morrow of Weston

Referred to Committee on

Date:

Subject: Utilities; residential ratepayers; involuntary service disconnections;  
consumer protections

Statement of purpose of bill as introduced: This bill proposes to require the  
Public Utility Commission to adopt by rule enhanced residential ratepayer  
protections with respect to involuntary utility service disconnections.

An act relating to utility service disconnections and ratepayer protections

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

~~Sec. 1. SHORT TITLE~~

~~This act may be cited as the "Vermont Energy Equity Law."~~

~~Sec. 2. 30 V.S.A. § 209(c) is amended to read:~~

~~(b) Required rules.~~

~~(1) Notwithstanding the provisions of section 218 of this chapter, the  
Public Utility Commission shall, under 3 V.S.A. chapter 25, adopt rules  
applicable to companies subject to this chapter that.~~

1 ~~(1)(A) regulate or prescribe terms and conditions of extension of utility~~

2 service to customers or applicants for service including:

3 ~~(A)(i) the conditions under which a deposit may be required, if any;~~

4 ~~(B)(ii) the extension of service lines;~~

5 ~~(C)(iii) the terms of payment of any required deposit; and~~

6 ~~(D)(iv) the return of any deposit;~~

7 ~~(2)(B) regulate or prescribe the grounds upon which the companies may~~  
8 ~~disconnect or refuse to reconnect service to customers; and~~

9 ~~(3)(C) regulate and prescribe reasonable procedures used by companies~~  
10 ~~in disconnecting or reconnecting services and billing customers.~~

11 (2) The Public Utility Commission shall amend Rule 3.300, which  
12 governs the disconnection of residential gas, electric, and water service, to  
13 further specify that:

14 (A) a certificate from a physician or other licensed health care  
15 provider certifying that a ratepayer or resident within the ratepayer's  
16 household would suffer an immediate and serious health hazard by the  
17 disconnection of gas, electric, or water service, or by failure to reconnect such  
18 service, shall prevent disconnection or require reconnection, as applicable, and  
19 shall remain in effect for the time period specified in the certification unless

20 the Commission rules otherwise, and

1 ~~(B) no gas, electric, or water utility may involuntarily disconnect~~  
2 service to any residential ratepayer during periods of extreme heat, as defined  
3 by the Commission.

4 (3) The Public Utility Commission shall adopt a rule requiring each gas,  
5 electric, and water utility to establish a strategic and realistic plan for  
6 achieving the lowest prudently feasible number of monthly and annual  
7 involuntary residential service disconnections in the utility's service territory  
8 and to include such plan in a new or revised Service Quality and Reliability  
9 Plan, which the utility shall submit to the Commission for approval.

10 Sec. 3. 30 V.S.A. § 218d(a) is amended to read:

11 (a) Notwithstanding section 218 and sections 225–227 of this title, upon  
12 petition of an electric or natural gas company, upon request of the Department  
13 of Public Service, or on its own initiative, the Public Utility Commission may,  
14 after opportunity for hearing, approve alternative forms of regulation for an  
15 electric or natural gas company; provided, however, in the case of a municipal  
16 plant or department formed under local charter or chapter 79 of this title or an  
17 electric cooperative formed under chapter 81 of this title, any alternative forms  
18 of regulation approved by the Commission shall also be approved by a  
19 majority of the voters of a municipality or cooperative voting upon the  
20 ~~question at a duly warned annual or special meeting held for that purpose.~~

1 ~~Before doing so, the Commission shall find that the proposed form of~~

2 alternative regulation will:

3 (1) establish a system of regulation in which such companies have clear  
4 incentives to provide least cost energy service to their customers;

5 (2) provide just and reasonable rates for service to all classes of  
6 customers;

7 (3) deliver safe and reliable service;

8 (4) offer incentives for innovations and improved performance that  
9 advance ~~state~~ State energy policy such as increasing reliance on Vermont-based  
10 renewable energy and decreasing the extent to which the financial success of  
11 distribution utilities between rate cases is linked to increased sales to end use  
12 customers and may be threatened by decreases in those sales;

13 (5) promote improved quality of service, reliability, and service choices,  
14 including a reduction in the number of monthly and annual involuntary  
15 disconnections to the lowest prudently feasible number in a company's service  
16 territory;

17 (6) encourage innovation in the provision of service;

18 (7) establish a reasonably balanced system of risks and rewards that  
19 encourages the company to operate as efficiently as possible using sound  
20 ~~management practices, and~~

1 ~~(8) provide a reasonable opportunity, under sound and economical~~  
2 management, to earn a fair rate of return, provided such opportunity must be  
3 consistent with flexible design of alternative regulation and with the inclusion  
4 of effective financial incentives in such alternatives.

5 Sec. 4. EFFECTIVE DATE

6 ~~This act shall take effect on July 1, 2026.~~

*Sec. 1. SHORT TITLE*

*This act may be cited as the "Vermont Energy Equity Law."*

*Sec. 2. UTILITY DISCONNECTIONS; REPORT*

*For the purpose of providing policymakers with the data necessary for monitoring and responding to trends in the residential electric and gas sectors, particularly with respect to safeguarding the welfare of ratepayers, the Commissioner of Public Service shall conduct an annual assessment of involuntary residential service disconnections. The assessment shall take into consideration the monthly disconnection reports prepared by electric and gas utilities pursuant to Public Utility Commission, Disconnection of Residential Gas, Electric, and Water Service (CVR 30-000-3300), Rule 3.308(B); relevant consumer assistance records maintained by the Consumer Affairs and Public Information Division; and any other data deemed appropriate by the Commissioner. The Commissioner shall report findings and recommendations related to the assessment to the House Committee on Energy and Digital*

Infrastructure and the Senate Committee on Finance on or before January 15, 2027, and annually thereafter. The report required by this section may be included in the Department's Annual Energy Report to the General Assembly or may be submitted in a standalone report, in the Commissioner's discretion.

**Sec. 3. UTILITY SERVICE DISCONNECTIONS; RULEMAKING**

On or before January 1, 2028, or upon the initiation of any rulemaking pertaining to Public Utility Commission, Disconnection of Residential Gas, Electric, and Water Service (CVR 30-000-3300), Rule 3.300, whichever occurs first, the Public Utility Commission shall adopt rules that:

(1) curtail electric utility service disconnections during periods of extreme heat, as defined by the Commission, which may include a lower temperature threshold for households comprising persons who are 62 years of age or older;

(2) clarify that, in Rule 3.301(G), a licensed physician assistant or a nurse practitioner may issue a physician's certificate; and

(3) require due consideration of medical judgment regarding the duration of a health hazard indicated in a physician's certificate when establishing the disconnection protection period for a health hazard.

**Sec. 4. EFFECTIVE DATE**

This act shall take effect on July 1, 2026.