

S.204

Introduced by Senators White and Watson

Referred to Committee on

Date:

Subject: Utilities; electric ratepayers; low- and moderate-income households;

financial assistance; utility disconnections; consumer protections

Statement of purpose of bill as introduced: This bill proposes to require the

Public Utility Commission to establish in the form of draft legislation an

electric ratepayer protection program for low- and moderate-income ratepayers

and, in addition, provide additional consumer protections with respect to utility

disconnections.

An act relating to electric ratepayer assistance and utility disconnections

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(b) 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  
2 utility service to customers or applicants for service including:

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

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

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

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

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

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

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

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

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

4           Sec. 3. 30 V.S.A. § 209c is amended to read:

5           § 209c. ~~ELECTRICITY AFFORDABILITY~~ ELECTRIC  
6                     RATEPAYER PROTECTION PROGRAM

7           (a) The Public Utility Commission shall design a ~~proposed electricity~~  
8           ~~affordability~~ statewide electric ratepayer protection program ~~in the form of~~  
9           ~~draft legislation~~ for low- and moderate-income households. The program shall  
10          be developed with the aid of an ~~electricity affordability~~ electric ratepayer  
11          protection program collaborative. The collaborative, composed of  
12          representatives from the electric utilities, residential customers, consumer  
13          representatives, ~~low-income~~ low- and moderate-income program  
14          representatives, representatives from programs for elders, the Department of  
15          Public Service, the Agency of Human Services, and other stakeholders  
16          identified by the Commission, shall aid in the development of ~~an electricity~~  
17          ~~affordability~~ the program, ~~as well as including~~ requirements for the  
18          implementation and funding of the program. ~~The proposed electricity~~  
19          ~~affordability program will be presented to the Vermont General Assembly in~~  
20          ~~the form of draft legislation for consideration in January 2007~~ On or before  
21          January 15, 2027, the Commission shall submit the program developed

1 pursuant to this section in the form of draft legislation to the House Committee  
2 on Energy and Digital Infrastructure and the Senate Committee on Finance.

3 (b) The proposed ~~electricity affordability~~ electric ratepayer protection  
4 program shall provide financial assistance in the payment of electricity bills for  
5 eligible ~~low-income~~ low- and moderate-income residential customers served  
6 by electric companies subject to the jurisdiction of the Commission.

7 (c) ~~In developing the electricity affordability program, the Commission~~  
8 ~~shall review the successes and administrative burdens of similar programs in~~  
9 ~~operation in other states and consider the following goals, which shall be~~  
10 ~~afforded equal weight in formulating the program~~ The electric ratepayer  
11 protection program may include:

12 (1) ~~the need to provide payment assistance to low-income~~ eligibility for  
13 customers at and below ~~150~~ 300 percent of the federal poverty level;

14 (2) ~~the need for~~ where feasible, automatic screening and enrollment  
15 ~~methods~~ of eligible customers by means of information obtained from existing  
16 means-tested financial assistance programs administered by other Vermont  
17 agencies, such as ~~food stamps~~ Lifeline, the Supplemental Nutrition Assistance  
18 Program, Medicaid, LIHEAP, or TANF Reach Up; and

19 (3) ~~the need to design a program that is funded by all customer classes~~  
20 ~~in an equitable and reasonable manner and that results in the reimbursement of~~  
21 ~~net incremental costs incurred by electric utilities to implement the program;~~

1 ~~taking into consideration the benefits as well as the costs~~ funding through  
2 customer charges applicable to all ratepayer classes in an equitable and  
3 reasonable manner, including fixed or volumetric charges;

4 (4) a statewide funding mechanism that applies to all or most customers  
5 in the State and that reallocates the funds collected to all utility service  
6 territories based on need;

7 (5) a tiered discount program, a percentage-of-income program, or any  
8 other similar program;

9 (6) a cap on kilowatt-hours subject to the discount;

10 (7) exemptions from program charges where appropriate, such as for  
11 households earning up to 80 percent of the State median income;

12 (8) a cap on the amount of a volumetric charge that any one customer is  
13 required to pay under the program;

14 (9) the adoption of performance metrics that result in a reduced return  
15 on equity for any investor-owned utility that fails to reduce its disconnection  
16 notices and disconnections upon program implementation;

17 (10) arrearage forgiveness;

18 (11) administration on a statewide basis by a State agency or an entity  
19 supervised by the Commission;

20 (12) funding that results in the reimbursement of net incremental  
21 program implementation costs incurred by a utility;

1           (13) mechanisms that ensure that any cost savings realized by a utility  
2           through reduced debt and collection expenses commensurately benefit  
3           customers through reduced rates; and

4           (14) as deemed appropriate by the Commission, any other program  
5           requirements that ensure that Vermont's most vulnerable households are not  
6           burdened with unaffordable energy costs as the State transitions to a just and  
7           equitable clean energy economy.

8           Sec. 4. EFFECTIVE DATE

9           This act shall take effect on July 1, 2026.