

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(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:

~~(A)~~(A) regulate or prescribe terms and conditions of extension of utility  
service to customers or applicants for service including:

- 1           ~~(A)~~(i) the conditions under which a deposit may be required, if any;  
2           ~~(B)~~(ii) the extension of service lines;  
3           ~~(C)~~(iii) the terms of payment of any required deposit; and  
4           ~~(D)~~(iv) the return of any deposit;

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

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

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

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

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

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

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

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

18          Before doing so, the Commission shall find that the proposed form of  
19          alternative regulation will:

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

- 1           (2) provide just and reasonable rates for service to all classes of  
2 customers;
- 3           (3) deliver safe and reliable service;
- 4           (4) offer incentives for innovations and improved performance that  
5 advance ~~state~~ State energy policy such as increasing reliance on Vermont-  
6 based renewable energy and decreasing the extent to which the financial  
7 success of distribution utilities between rate cases is linked to increased sales  
8 to end use customers and may be threatened by decreases in those sales;
- 9           (5) promote improved quality of service, reliability, and service choices,  
10 including a reduction in the number of monthly and annual involuntary  
11 disconnections to the lowest prudently feasible number in a company's service  
12 territory;
- 13           (6) encourage innovation in the provision of service;
- 14           (7) establish a reasonably balanced system of risks and rewards that  
15 encourages the company to operate as efficiently as possible using sound  
16 management practices; and
- 17           (8) provide a reasonable opportunity, under sound and economical  
18 management, to earn a fair rate of return, provided such opportunity must be  
19 consistent with flexible design of alternative regulation and with the inclusion  
20 of effective financial incentives in such alternatives.

1      Sec. 4. EFFECTIVE DATE

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