

1 H.753
2 Introduced by Representatives Torre of Moretown and Morrow of Weston
3 Referred to Committee on
4 Date:
5 Subject: Utilities; residential ratepayers; involuntary service disconnections;
6 consumer protections
7 Statement of purpose of bill as introduced: This bill proposes to require the
8 Public Utility Commission to adopt by rule enhanced residential ratepayer
9 protections with respect to involuntary utility service disconnections.

10 An act relating to utility service disconnections and ratepayer protections
11 It is hereby enacted by the General Assembly of the State of Vermont:
12 Sec. 1. SHORT TITLE
13 This act may be cited as the “Vermont Energy Equity Law.”
14 Sec. 2. 30 V.S.A. § 209(b) is amended to read:
15 (b) Required rules.
16 (1) Notwithstanding the provisions of section 218 of this chapter, the
17 Public Utility Commission shall, under 3 V.S.A. chapter 25, adopt rules
18 applicable to companies subject to this chapter that:
19 (1)(A) regulate or prescribe terms and conditions of extension of utility
20 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;

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;

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.