

Chair Cummings,

Thank you for the opportunity to testify on S.65, “An act relating to electric efficiency utility jurisdiction,” and share our joint concerns in this letter on behalf of our customers and members. Together, we serve about 356,000 customers across Vermont and we are unified in our request for a more thorough review of this proposal to make sure that this piece of legislation is not going to end up hurting vulnerable and cost-sensitive Vermonters as we fear it will.

We are particularly concerned that, as currently written, this bill would tie and automatically increase Efficiency Vermont’s budget based on inflation. This automatic budget increase would raise costs for Vermonters, including those who can least afford it.

The current system for collecting the energy efficiency charge, based on electric usage, increases costs for those who have electrified their homes and vehicles in line with state incentives and state energy goals. As a result of this bill, they would pay even more through the Energy Efficiency Charge (EEC), which is already structured to increase as customers electrify. For example, a typical family that has transitioned from fossil fuels to electricity for heating and transportation already pays about \$220 more per year to EVT than a household that remains on fossil fuels. Further cost increases could discourage electrification, particularly among low- and moderate-income Vermonters, working at cross-purposes with the state’s emissions reductions goals, and the stated intent of this legislation.

The Department of Public Service and the Public Utility Commission have also raised important financial and operational concerns with S.65. The Commission’s letter on S.65 to the Senate Committee on Natural Resources and Energy underscored ongoing cost implications noting that, “Driving up the cost of electricity sends the wrong price signal during a time when the Legislature is also trying to achieve greater electrification.” The Department’s testimony to Senate Natrual Resources and Energy on March 12, 2025 raised the concern that the bill could “Unnecessarily drive up costs for all Vermonters, particularly for the most vulnerable Vermonters.” We share these concerns, and as utilities obligated to provide service at least cost, it is why we have worked steadily to keep rates down for customers, particularly during these difficult economic times.

Importantly, there is work underway at the Commission as directed by Act 142 of 2024. This act charged the PUC with evaluating existing programs designed to help low- and moderate-income Vermonters reduce or stabilize their energy costs and make recommendations on whether a statewide program is needed. This work includes the various stakeholders that are delivering these programs and will examine what this delivery system could look like to benefit customers longer term. We believe it is prudent to allow that work to take place before layering on additional, duplicative requirements as this bill does. Work to decarbonize is also going to continue in the meantime with both EVT’s work, and the work by distribution utilities under Tier 3.

We value our long-standing partnerships with EVT and recognize the shared commitment to Vermont’s energy goals. While we were not involved in the development of this bill, we welcome the opportunity to collaborate with EVT, lawmakers, state regulators, and other stakeholders to thoughtfully shape an updated electric efficiency model. A collaborative approach will help ensure that any proposed changes are carefully evaluated, balancing opportunities with cost considerations to best serve Vermont’s electric customers.

This letter and our continued engagement are intended to highlight our concerns with the current version of S.65 and to work toward a solution that aligns with our shared goals.

Thanks again,

Green Mountain Power
Vermont Electric Coop
Village of Hyde Park Electric Department

Stowe Electric Department
Vermont Public Power Supply Authority
Washington Electric Coop

