

Chair Watson,

Thank you and your Senate Committee on Natural Resources and Energy for the opportunity to testify on S.65. This letter and our ongoing engagement with you are intended to highlight the continuing concerns we have with the bill in its current form in an effort to find a resolution that advances our shared goals.

As noted in your committee, we have longstanding partnerships with Efficiency Vermont (EVT) and have worked together over the years to advance the state's efficiency priorities. While we were not part of the creation of this bill, we would like to emphasize that together, we would welcome the opportunity to engage with you, EVT, state regulators, and other key stakeholders on an updated electric efficiency model, rooted in appropriate data and analysis, to encourage the important efficiency and carbon reduction work ahead. We think a more collaborative approach is in the best interest of Vermont electric customers and will help the state avoid inadvertently increasing costs, and ensure we are fully vetting impacts and opportunities as we proceed.

We want to reinforce the very important financial and operational concerns raised in testimony by the Department of Public Service and the Public Utility Commission about the current version of this bill. We remain concerned that the unclear roles, metrics, goals, and enforcement mechanisms around carbon reduction work in the current legislation would lead to higher non-programmatic and administrative costs on consumers – especially on low- and middle-income Vermonters who can least afford it – and deliver no greater results for Vermont. The PUC's recent letter on S. 65 to the Committee underscores 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." We share these concerns, and as utilities obligated to provide service at least cost, why we have worked steadily to keep rates down for customers, particularly during these difficult economic times.

Importantly, there is work underway at the Public Utility Commission as directed by Act 142 of 2024. This work 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.

Given these factors and those outlined in testimony to date, we respectfully ask that you allow for additional discussion and testimony so that we can shape a path forward that allows us to make progress on further clean electrification in a cost-effective way that works best for all Vermonters.

Thanks again,

Green Mountain Power
Stowe Electric Department
Vermont Electric Coop
Vermont Public Power Supply Authority
Village of Hyde Park Electric Department
Washington Electric Coop

