

1 H.42

2 Introduced by Representative Condon of Colchester

3 Referred to Committee on

4 Date:

5 Subject: Utilities; electric; natural gas; energy assistance programs; ratepayer
6 funding

7 Statement of purpose of bill as introduced: This bill proposes to prohibit the
8 Public Service Board from establishing a low-income energy assistance
9 program funded by ineligible ratepayers on a mandatory basis. Rather, it
10 makes residential ratepayer funding of such a program voluntary.

11 An act relating to energy assistance program fees

12 It is hereby enacted by the General Assembly of the State of Vermont:

13 * * * Electric Energy Assistance Program * * *

14 Sec. 1. 30 V.S.A. § 218(e) is amended to read:

15 (e) Notwithstanding any other provisions of this section to the contrary, the
16 Board, on its own motion or upon petition of any person, may issue an order
17 approving a rate schedule, tariff, agreement, contract, or settlement that
18 provides reduced rates for ~~low-income~~ low-income electric utility consumers
19 better to ~~assure~~ ensure affordability. ~~For the purposes of~~ As used in this
20 subsection, "~~low-income~~ low-income electric utility consumer" means a

1 customer who has a household income at or below 150 percent of the current
2 federal poverty level. When considering whether to approve a rate schedule,
3 tariff, agreement, contract, or settlement for ~~low-income~~ low-income electric
4 utility consumers, the Board shall take into account the potential impact on,
5 and cost-shifting to, other utility customers. The Board's order shall ensure
6 that ineligible, residential utility customers are not required to fund any
7 program authorized under this subsection. Residential ratepayer funding shall
8 be voluntary only.

9 * * * Natural Gas Energy Assistance Program * * *

10 Sec. 2. 33 V.S.A. § 2607(g) is amended to read:

11 (g)(1) The Public Service Board shall require natural gas suppliers subject
12 to regulation under 30 V.S.A § 203 to provide a discount program to customers
13 with incomes no greater than 200 percent of the federal poverty level or who
14 meet the Department for Children and Families' means test of eligibility for
15 LIHEAP crisis fuel assistance. Eligibility for the discount shall be verified by
16 the Department for Children and Families.

17 (2) In implementing the discount program, the Board shall consider:

18 (A) low-income discount programs, rates, and cost structures of
19 other Vermont regulated utilities;

20 (B) low-income discount programs, rates, and cost structures for gas
21 customers in other states; and

1 (C) options for allocating the costs of the discount program that avoid
2 or reduce the cost impact of the program on ineligible ratepayers, including
3 consideration of each of the following:

4 (i) use of any revenues collected from ratepayers that are in excess
5 of the revenue requirement most recently determined by the Board; and

6 (ii) use of revenues collected from ratepayers to fund system
7 expansions that have not been placed in service.

8 (3) The Board shall not require ineligible, residential ratepayers to fund
9 the discount program authorized under this subsection. Residential ratepayer
10 funding shall be voluntary only.

11 (4) On or before January 15, 2013, the Board shall:

12 (A) implement this subsection by order to each natural gas company
13 subject to its jurisdiction; and

14 (B) report to the House Committees on Commerce and Economic
15 Development and on Human Services and to the Senate Committees on Health
16 and Welfare and on Economic Development, Housing and General Affairs on
17 its implementation of this subsection, including its consideration of the matters
18 described in subdivision (2) of this subsection and the results of that
19 consideration.

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* * * Effective Date * * *

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Sec. 3. EFFECTIVE DATE

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This act shall take effect on passage.