



For a thriving New England

CLF Vermont 15 East State Street, Suite 4
Montpelier, VT 05602
P: 802.223.5992
F: 802.223.0060
www.clf.org

July 18, 2017

Judith Whitney, Clerk
Vermont Public Utility Commission
112 State St. Drawer 20
Montpelier, VT 05620-2701

RE: Case No. 17-3142-PET
Conservation Law Foundation Comments on Potential Issues

Dear Ms. Whitney:

Pursuant to the Vermont Public Utility Commission's (PUC or Commission) Order of June 26, 2017, Conservation Law Foundation (CLF) offers the following comments on potential issues for the workshop on utility regulation.

1. In broad terms, the workshop should examine the alignment of utility incentives with providing least cost service to customers. This should include environmental and economic costs.
2. The workshop should examine how utilities are encouraged to provide, and not discouraged from providing, energy efficiency and cleaner renewable energy to customers.
3. The workshop should examine the incentives for improved performance that separates utility profits from selling more units of energy. This would include looking at how the return on equity is decoupled from sales, and whether profits increase by selling more units of energy.
4. The workshop should examine the relative burdens of costs on customers and the utility. For example, lower utility costs should not be achieved simply by shifting greater risks and burdens to customers.
5. The workshop should examine the incentives in place to support strategic electrification that promotes flattening load growth for electric utilities, and not simply increasing kilowatt hour sales.



6. The workshop should examine the incentives in place to support moving customers away from fossil fuel use and the role of rate design and use of smart meters to facilitate this transition.
7. The workshop should examine the barriers to customer management of power supply and consumption. For example how are customers paid for providing utility services, and do current structures discourage customer choice and investment in cleaner renewable energy and energy efficiency that meets Vermont's goals.

Sincerely,

Sandra Levine

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