



**State of Vermont
Public Utility Commission**

MEMORANDUM

To: Senate Committee on Natural Resources and Energy and House Committee on Energy and Technology

From: Tom Knauer, Policy Director, Public Utility Commission

Re: Amendment to PUC's Final Report on All-Fuels Energy Efficiency

Date: February 3, 2021

On January 15, 2021, the Vermont Public Utility Commission issued its Final Report on All-Fuels Energy Efficiency pursuant to Act 62. It has come to my attention that certain terminology used in the report to describe existing sources of revenue that support Vermont's Weatherization Assistance Program have caused confusion. Please accept this memorandum and accompanying Amendment to the PUC's report, which together are intended to mitigate any confusion.

In the January 15 report the term "gross receipts tax" was used to describe that portion of the existing Fuel Tax authorized under [33 V.S.A. § 2503\(a\)](#) that is imposed on electricity, natural gas, and coal. The term "gross receipts tax" was used in an attempt to distinguish those fuels from delivered fuels like heating oil, propane, and kerosene, and to closely mirror the language in statute, which reads as follows:

- (2) There is imposed a **gross receipts tax** of 0.75 percent on the retail sale of natural gas and coal.
- (3) There is imposed a **gross receipts tax** of 0.5 percent on the retail sale of electricity.

The use of the term "gross receipts tax" in the report **was not** intended to refer to the "Tax to finance Department and Commission" authorized under [30 V.S.A. § 22](#), which is often referred to colloquially as the Gross Receipts Tax. That statute and that tax **are not** part of the Act 62 report and its recommendations.

To further avoid confusion, the Commissioners have approved the following amendments to the report:

- The table on Page 5 has been updated to include statutory citations; and
- Throughout the report, the term "gross receipts tax" has been changed to either "fuel tax" or "gross receipts fuel tax" as appropriate for the context.

Thank you for the opportunity to clarify. I am available to answer any questions.