



January 7, 2022

Holly R. Anderson
Clerk of the Commission
112 State Street
Montpelier, VT 05620-2701

Re: Case No. 20-0203-INV: Public Utility Commission 2021 Investigation into the establishment of reduced rates for low-income residential ratepayers of Vermont electric utilities.

Dear Ms. Anderson,

Vermont Electric Cooperative, Inc., (VEC) offers the following comments on the topics outlined in the Commission's 9/28/21 Order Requesting Information regarding the idea of a new statewide on-bill charge to collect, pool, and distribute money in support of low-income residential ratepayers.

COMMISSION QUESTIONS

1. What are the utilities' and other stakeholders' views on creating a statewide funding mechanism to fund low-income bill assistance for all utility customers?

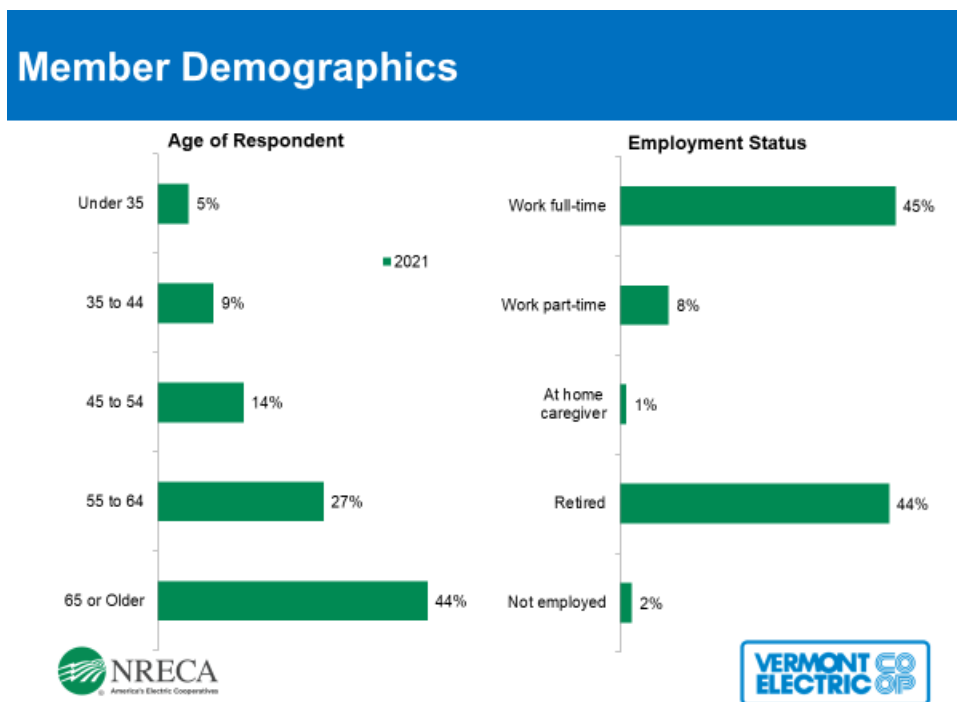
While VEC appreciates the goal of assisting income-qualified Vermonters with the cost of their utility bill, VEC has said in numerous forums that the best low-income strategy is to keep rates as low as possible and to help people reduce unnecessary usage. The program under consideration, if funded by Vermont ratepayers, will result in moderate-income members who likely would not qualify for assistance, to pay more. We often hear significant concerns from middle-income members about household cost pressures and how increases in electric bills are difficult for them to manage. Any additional cost increases on a large segment of our membership is also concerning as we work to promote the transition to low carbon sources of power and we do not want to disincentive electric options. Finally, VEC has concerns about the cost of the various billing, eligibility determination, and distribution requirements that may be required for a new program since those costs would need to be funded by our cooperative members.

2. How could such an approach be executed under the current legal framework of 30 V.S.A. § 218(e), which provides that "the Commission . . . may issue an order approving a rate schedule, tariff, agreement, contract, or settlement that provides reduced rates for low-income electric utility consumers"?

It is not clear to VEC that a statewide on-bill charge program would be covered under the current legal framework. Our reading is that a low-income rate order or approval only applies to individual rates and tariffs and that a legislative change would be necessary.

3. What alternative ideas, if any, do the utilities have to extend electric bill assistance to low-income customers of all Vermont utilities while also addressing the concerns of some utilities regarding individually funding their own low-income programs because of the high percentage of low-income customers in their service territories?

We appreciate the acknowledgment that it will be challenging for some utilities to individually fund their own income-qualified programs. VEC serves eight of the ten towns with the highest energy burden in the state according to EVT’s 2019 Energy Burden Report. In VEC’s 2021 member survey, with over 1,000 respondents, only 45% of the respondents worked full-time and almost 50% were on fixed incomes or not employed. With this situation more than half of the members, likely much more, would not be in the financial position to contribute additional charges. Those who would be asked to contribute would therefore bear a heavier burden, and many of those members also face financial challenges even if they would not income qualify.



2021 VEC Member Survey

VEC believes there are other ways, besides low- income rates, to assist income-qualified members.

- VEC has unsuccessfully obtained, but will continue to pursue, grant funding to subsidize the enrollment of income-qualified members into VEC’s Community Solar program. Participation in the program will provide direct benefits to members through monthly bill credits for a 10-year term, thus reducing their bills. Participation would also engage these members in our energy transformation future.
- VEC provides low income adders to income qualified members who purchase EV’s, and has offered incentives for previously owned vehicles in addition to new vehicles since the initial launch of our Energy Transformation program four years ago.

Some of the other items on VEC's 2022 workplan to facilitate Energy Equity and Just Transitions include:

- Continuing to promote and support VERAP grant assistance for income-qualified members
- Partnering with the VHFA in the weatherization on-bill financing pilot project.
- Implementing Level 1 EV charger load management pilot program. (38% of VEC electric vehicle drivers do not use Level 2 charging at home, mostly due to set up cost barriers).
- Developing relationships with and obtaining feedback from mobile home park, elder, and rental communities in VEC service territory.
- Work with partners to promote available programs and opportunities (EVT, Neighborworks, Community Action Agencies).

Another option that the Commission may want to explore would be the availability of federal dollars to support income qualified members on an ongoing basis with their electric bills. Thank you for the opportunity to offer comments. We appreciate your interest and effort in exploring ways to support all Vermonters.

Sincerely,

A handwritten signature in black ink, appearing to read "A. Cohen".

Andrea Cohen, Manager
Government Affairs and Member Relations
Vermont Electric Cooperative
acohen@vermontelectric.coop
802-696-9036