



Washington Electric Cooperative, Inc.

P.O. Box 8, 75 Vermont Route 14N
East Montpelier, Vermont 05651

Telephone: 802-223-5245; Fax: 802-223-6780
www.washingtonelectric.coop

Ms. Holly Anderson, Clerk
Vermont Public Utility Commission
112 State Street, Drawer 20
Montpelier VT 05620

RE: 20-0203-INV Investigation into the establishment of reduced rates for low-income residential ratepayers of Vermont electric utilities

January 6 2022

Dear Ms. Anderson:

Washington Electric Co-op (WEC) herein provides its answers and comments responsive to the PUC Order of September 28, 2021 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.

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?

The cost of living for Vermonters, in particular those who have lower incomes, is a significant concern in our state, including for WEC. At the same time, one of the principles of public power in general, and cooperative power utilities in particular, is that members should be treated equally to the extent possible and that subsidization of one group of members by another should be approached very carefully.

Therefore, if a mechanism is to be developed to reduce the cost of power usage by income eligible Vermonters it should be developed on a statewide basis that is not dependent on individual utilities. Of particular concern is the cost and privacy implications of a utility requiring, holding, and analyzing sensitive member data such as income and asset information. WEC believes there are available agencies outside of the distribution utilities which already manage income eligibility on a state-wide basis which could be expanded to enable eligibility on a subsidized residential electric mechanism.

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"?

A legislative approach that is statewide and crosses all utility borders is certainly the cleanest and fairest approach and may also be required under the current legal framework. A legislative solution would also allow for a consistent approach that would be supported by all Vermonters, rather than by members or customers of a particular utility. This seems appropriate given that the ultimate goal of reducing the cost

of living for lower-income residents would be a goal established on behalf of all Vermonters, and not limited to electrical power consumers of any specific utility.

Placing the cost of such a program on the bill of electrical consumers is also likely to disincentivize adoption of beneficial electrification technologies because they will increase the cost of power service to support those uses. This runs counter to the climate change goals of the state, which depend on the deployment of beneficial electrification.

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?

WEC, working with Capstone Community Action, is now implementing a pilot project funded by VLITE to help income eligible members upgrade portions of their electrical service necessary to take advantage of modern electrical devices such as heat pumps or electric vehicles. It is important to note that this program does not involve WEC collecting or holding economic data from its members – Capstone does that portion of the project, something they are familiar with and have a successful track record doing as a designated Community Action Agency. If, as expected, this pilot project is successful it may offer insight into an approach to assisting qualifying Vermonters reduce their energy costs while increasing – rather than weakening – the state’s goal of using beneficial electrification to mitigate climate change.

Sincerely,

A handwritten signature in black ink, appearing to be 'L. Porter', with a long horizontal flourish extending to the right.

Louis Porter
General Manager

FILED by EPUC