

STATE OF VERMONT
PUBLIC UTILITY COMMISSION

Case No. 20-0203-INV

| | |
|---|--|
| Investigation into the establishment of reduced rates for low-income residential ratepayers of Vermont electric utilities | |
|---|--|

Order entered: 06/13/2023

**ORDER CLOSING INVESTIGATION AND ORDERING FURTHER PROCESS FOR
WASHINGTON ELECTRIC COOPERATIVE**

In this Order, the Vermont Public Utility Commission (“Commission”) closes its investigation into the establishment of reduced rates for low-income residential ratepayers of Vermont electric utilities, opens a compliance subcase for certain utilities to file reports, and directs that Washington Electric Cooperative (“WEC”) consult and collaborate with the Department to develop an additional program or programs that can provide bill assistance to WEC’s low-income members.

The Commission appreciates that Vermont’s electric utilities either already have or will soon have programs that provide reduced rates to low-income residential ratepayers. On March 3, 2023, the electric utilities made filings in this case explaining their programs.¹ Vermont Electric Cooperative (“VEC”), WEC, the Vermont Public Power Supply Authority (“VPPSA”) utilities, and the Town of Stowe Electric Department (“Stowe Electric”) are all developing programs using grant funds that the Vermont Department of Public Service (“Department”) awarded through the Affordable Community Renewable Energy (“ACRE”) Program.² The City

¹ All the utilities, except for Green Mountain Power Corporation (“GMP”) and the Village of Hyde Park Electric Department (“Hyde Park Electric”), made filings.

As the Commission’s information request was drafted, it was implied that a response from GMP was not required. GMP already has in place its low-income Energy Assistance Program, as most recently updated in Case No. 22-5173-TF. Additionally, GMP is implementing its Affordable Community Renewable Energy (“ACRE”) grant through its ACRE Pilot, Case No. 23A-0108, and is taking advantage of certain provisions under the federal Inflation Reduction Act through its Shared Solar Program tariff, Case No. 23-0071-TF.

Because Hyde Park Electric did not respond to the Commission’s information request, it is unclear whether Hyde Park Electric has or is planning to develop a program.

² The State appropriated \$10 million to the Department from the Coronavirus State and Local Fiscal Recovery Funds as part of the federal American Rescue Plan Act of 2021 to be used to support the creation of renewable energy projects for low-income Vermonters. Public Act No. 74, § G.600(a)(5) (2021 Vt., Bien Sess.). In turn, the Department sought proposals from the utilities for programs to use the funds, and then the Department awarded grants.

of Burlington Electric Department (“BED”) has its Energy Assistance Pilot Rate Program funded through money distributed under the federal American Rescue Plan Act of 2021.

The program structure, amount of bill assistance, number of customers that may participate, and length of time that the programs will be in effect vary by utility. These differences among the utilities’ programs provide an opportunity to gather information and analyze the effectiveness of different approaches to offering low-income rate assistance. The Commission is interested in closely following these programs and therefore directs VEC, WEC, VPPSA, and Stowe Electric to file their annual and final reports, which are required by the Department for the ACRE Program, in the compliance subcase for this case.³ As a part of each of these reports, the Commission directs that each utility also include a summary of any other programs the utility is offering or planning to offer that provide discounted rates or other assistance to low-income customers.

Some of the utilities’ programs have one or more of the following characteristics that present barriers to the effectiveness of the programs: (1) a short or limited duration, (2) a cap on the number of participants, or (3) a relatively low discount. Consequently, the Commission expects that the utilities will continue to develop innovative ways to provide meaningful assistance to their low-income customers now and into the future, and we welcome proposals from the utilities to address this important issue. The Commission will be closely following the utilities’ reports on their low-income programs, and we may open an investigation into this topic again in the future if the utilities fail to develop permanent programs that provide meaningful assistance to their low-income customers.

In sum, while the Commission believes the utilities’ current programs are an improvement over the status quo and that it is appropriate to close this investigation at this time, the Commission remains concerned about the affordability of electricity for low-income Vermonters because of the increasing costs of electricity and other costs of living as well as the need to electrify transportation and home heating to meet the state’s greenhouse gas reduction requirements.⁴ Everyone benefits when all electricity users can afford electricity. If electricity is more affordable for low-income customers, Vermont can more quickly implement beneficial

³ GMP and BED already have requirements to file reports regarding their programs in other cases.

⁴ See 10 V.S.A. § 578.

electrification and more quickly reach its ambitious climate goals. Families that can pay their electric bills are more likely to take advantage of programs that encourage weatherization, the adoption of heat pumps, and the switch to electric vehicles. Conversely, when low-income households cannot afford to meet their basic needs – including electricity, health care, and nutrition – the costs are ultimately borne by everyone.

We recognize that when a utility provides support for its low-income customers, absent external funds like those provided by federal and state assistance, the burden of that support usually falls on other customers of the utility (many of whom may be barely above the definition of low-income themselves). It is our obligation to protect the interests of all utility customers, including those whose bills increase when a utility provides financial assistance for its low-income customers. Although the current funds from federal and state programs to support low-income customers do not place the burden on other utility customers, those funds are only temporary.

Washington Electric Cooperative

In Case No. 19-1270-TF, the Commission ordered WEC to consult and collaborate with the Department to develop a program to support low-income members and to report back within 12 months.⁵ That requirement was later replaced by a requirement for WEC to participate in this investigation.⁶ WEC's ACRE Program, which will provide approximately 223 households with a \$45 per month discount on their bills for five years, will offer significant and meaningful rate relief to a portion of WEC's low-income members.⁷ However, WEC's ACRE Program will only be able to provide assistance to approximately 6.4% of WEC's low-income members, and the offering is time limited.⁸

WEC has the highest electric rates of any Vermont utility. The WEC rate design approved in 2019 was phased in, with the final rate increase occurring on July 1, 2022. For WEC members, including low-income members, who use 200 kWh per month, monthly bills

⁵ *Washington Electric Cooperative, Inc.'s, tariff filing for rate design changes and a change in rate schedules to be effective on services rendered beginning June 17, 2019*, Case No. 19-1270-TF, Order of 12/19/19 at 13.

⁶ *Washington Electric Cooperative, Inc.'s, tariff filing for rate design changes and a change in rate schedules to be effective on services rendered beginning June 17, 2019*, Case No. 19-1270-TF, Order of 12/10/20.

⁷ WEC's 5/8/23 Response Letter.

⁸ *Id.*

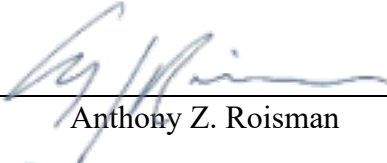
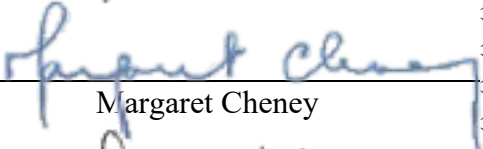
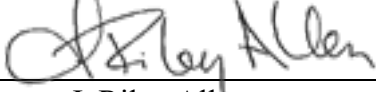
under the new rate design increased by 44%. Further, WEC has sought and received approval for multiple rate increases since the new rate design was approved. Therefore, the Commission believes it is necessary for WEC to develop additional offerings to support its low-income members.

The Commission directs WEC to consult and collaborate with the Department to develop an additional program or programs that can provide bill assistance to a significant portion of WEC's low-income members in the near term and then after WEC's ACRE Program ends. The Commission encourages WEC to investigate the low-income programs that its fellow Vermont utilities are offering as well as opportunities that may be available under the federal Inflation Reduction Act.⁹ The Commission directs WEC to file a report in the compliance subcase for this case within six months of the issuance date of this Order providing a status update on its work to develop a program or programs to provide bill assistance to its low-income members.

SO ORDERED.

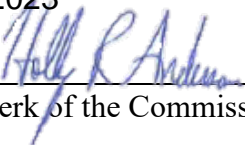
⁹ See e.g., GMP's Shared Solar Program tariff, Case No. 23-0071-TF, which takes advantage of provisions under the federal Inflation Reduction Act to support GMP's low-income customers.

Dated at Montpelier, Vermont, this 13th day of June, 2023.

| | | |
|--|---|--|
|  _____) |) | PUBLIC UTILITY COMMISSION OF VERMONT |
| Anthony Z. Roisman |) | |
| _____)  |) | |
| Margaret Cheney |) | |
| _____)  |) | |
| J. Riley Allen |) | |

OFFICE OF THE CLERK

Filed: June 13, 2023

Attest: 

Clerk of the Commission

Notice to Readers: This decision is subject to revision of technical errors. Readers are requested to notify the Clerk of the Commission (by e-mail, telephone, or in writing) of any apparent errors, in order that any necessary corrections may be made. (E-mail address: puc.clerk@vermont.gov)

PUC Case No. 20-0203-INV - SERVICE LIST

Erik Bailey
Village of Johnson Water & Light Department
PO Box 603
Johnson, VT 05656
ebailey@townofjohnson.com

(for Village of Johnson
Water & Light
Department)

Melissa Bailey
Vermont Public Power Supply Authority
P.O. Box 126
5195 Waterbury-Stowe Road
Waterbury Center, VT 05677
mbailey@vppsa.com

(for Vermont Public
Power Supply Authority)

Sue Bernier
Vermont Electric Cooperative, Inc.
42 Wecom Road
Johnson, VT 05656
sbernier@vermontelectric.coop

(for Vermont Electric
Cooperative Inc.)

Mary Bouchard
Vermont Gas Systems, Inc.
85 Swift Street
South Burlington, VT 05403
mbouchard@vermontgas.com

(for Vermont Gas
Systems, Inc.)

Sarah Braese
Vermont Public Power Supply Authority
PO Box 126
5195 Waterbury-Stowe Road
Waterbury Center, VT 05677
sbraese@vppsa.com

(for Vermont Public
Power Supply Authority)

Erin C. Brennan, Esq.
Vermont Department of Public Service
112 State Street
Montpelier, VT 05620
Erin.Brennan@vermont.gov

(for Vermont
Department of Public
Service)

Victoria J. Brown, Esq.
Vermont Electric Cooperative, Inc.
42 Wescom Road
Johnson, VT 05656
vbrown@vermontelectric.coop

(for Vermont Electric
Cooperative Inc.)

Andrea Cohen
Vermont Electric Cooperative, Inc.
42 Wescom Road
Johnson, VT 05656
acohen@vermontelectric.coop

(for Vermont Electric
Cooperative Inc.)

Crystal L Currier
Vermont Public Power Supply Authority
PO Box 126
Waterbury Center, VT 05677
ccurrier@vppsa.com

(for Barton Village Inc.
Electric Department)

William F. Ellis
McNeil, Leddy & Sheahan
271 South Union Street
Burlington, VT 05401
wellis@mcneilvt.com

(for City of Burlington
Electric Department)

William F. Ellis
McNeil, Leddy & Sheahan
271 South Union Street
Burlington, VT 05401
wellis@mcneilvt.com

(for Vermont Public
Power Supply Authority)

Jonathan Elwell
Village of Lyndonville Electric Department
PO Box 167
20 Park Avenue
Lyndonville, VT 05851
jelwell@lyndonvilleelectric.com

(for Village of
Lyndonville Electric
Department)

Elijah D Emerson, Esq.
Primmer Piper Eggleston & Cramer PC
PO Box 1309
Montpelier, VT 05601
eemerson@primmer.com

(for Town of Northfield
Electric Department)
(for Village of Enosburg
Falls Water & Light
Department Inc.) (for
Town of Hardwick
Electric Department)
(for Village of Johnson
Water & Light
Department)

Marla Emery
Village of Johnson Water & Light Department
P.O. Box 603
Johnson, VT 05656
memery@townofjohnson.com

(for Village of Johnson
Water & Light
Department)

Brian Evans-Mongeon
Village of Hyde Park Electric Department
Brian.Evans-Mongeon@utilitysvcs.com

(for Village of Hyde
Park Electric
Department)

Steven R Farman
Vermont Public Power Supply Authority
5195 Waterbury-Stowe rd
Waterbury Center, VT 05766
sfarman@vppsa.com

(for Vermont Public
Power Supply Authority)

Karen Field
Town of Hardwick Electric Department
PO Box 516
Hardwick, VT 05843
kfield@hardwickelectric.com

(for Town of Hardwick
Electric Department)

Carol Flint
112 State Street
Montpelier, VT 05620
carol.flint@vermont.gov

(for Vermont
Department of Public
Service)

James Gibbons
City of Burlington Electric Department
585 Pine Street
Burlington, VT 05401
jgibbons@burlingtonelectric.com

(for City of Burlington
Electric Department)

Richard Giddings
DCF - Economic Services Division
280 State Drive
Waterbury, VT 05671-1500
richard.giddings@vermont.gov

(for Vermont
Department for Children
and Families)

Grace Grundhauser
Green Mountain Power Corporation
163 Acorn Lane
Colchester, VT 05446
grace.grundhauser@greenmountainpower.com

(for Green Mountain
Power Corporation)

(for Town of Stowe)

Michael J. Hall
Stackpole & French Law Offices
PO Box 819
Stowe, VT 05672
mhall@stackpolefrench.com

Electric Department)

Lauren Hammer
Vermont Gas Systems, Inc.
85 Swift Street
South Burlington, VT 05403
lhammer@vermontgas.com

(for Vermont Gas
Systems, Inc.)

Karen Horne
Vermont Gas Systems, Inc.
85 Swift Street
South Burlington, VT 05403
khorne@vermontgas.com

(for Vermont Gas
Systems, Inc.)

Scott Johnstone
Village of Morrisville Water & Light Department
857 Elmore Street
Morrisville, VT 05661
sjohnstone@mwlvt.com

(for Village of
Morrisville Water &
Light Department)

Michael Lazorchak
Town of Stowe Electric Department
PO Box 190
Stowe, VT 05672
mlazorchak@stoweelectric.com

(for Town of Stowe
Electric Department)

Mari McClure
Green Mountain Power Corporation
163 Acorn Lane
Colchester, VT 05446
ceo@greenmountainpower.com

(for Green Mountain
Power Corporation)

Abbey Miller
Village of Enosburg Falls Water & Light Department
42 Village Drive
Enosburg Falls, VT 05450
amiller@enosburg.net

(for Village of Enosburg
Falls Water & Light
Department Inc.)

(for Green Mountain
Power Corporation)

Liz Miller
Green Mountain Power
163 Acorn Lane
Colchester, VT 05446
Liz.Miller@greenmountainpower.com

Pamela Moore
Village of Jacksonville Electric Company
P.O. Box 169
Jacksonville, VT 05342
sfarman@live.com

(for Village of
Jacksonville Electric
Company)

John Morley
Village of Orleans Electric Department
Municipal Building
One Memorial Square
Orleans, VT 05860
jmorley@villageoforleansvt.org

(for Village of Orleans
Electric Department)

David John Mullett, Esq.
aLLEARTH REnewables, Inc.
94 Harvest Lane
Williston, VT 05495
dmullett@allearthrenewables.com

(for ALLEARTH
RENEWABLES, INC.)

Ken Nolan
Vermont Public Power Supply Authority
P.O. Box 126
Waterbury Center, VT 05677
knolan@vppsa.com

(for Vermont Public
Power Supply Authority)

Christine Peterson
Vermont Department of Public Service
112 State Street
3rd Floor
Montpelier, VT 05620-2601
christine.peterson@vermont.gov

(for Vermont
Department of Public
Service)

Thomas Petraska
Village of Ludlow Electric Light Department
9 Pond Street
Ludlow, VT 05149
tpetraska@ludlowelectric.com

(for Village of Ludlow
Electric Light
Department)

(for Vermont Gas
Systems, Inc.)

Jill Pfenning
Vermont Gas Systems, Inc.
85 Swift Street
South Burlington, VT 05403
jpfenning@vermontgas.com

James Porter, Esq.
Vermont Department of Public Service
112 State Street
Montpelier, VT 05620
james.porter@vermont.gov

(for Vermont
Department of Public
Service)

Louis Porter
Washington Electric Cooperative
PO Box 8
East Montpelier, VT 05651
louis.porter@wec.coop

(for Washington Electric
Cooperative Inc.)

Jackie Pratt
Town of Stowe Electric Department
PO Box 190
Stowe, VT 05672
jpratt@stoweelectric.com

(for Town of Stowe
Electric Department)

Jeffrey Schulz
Town of Northfield Electric Department
51 South Main Street
Northfield, VT 05663
jschulz@northfield.vt.us

(for Town of Northfield
Electric Department)

William (Bill) Sheets
Swanton Village, Inc. Electric Department
120 First Street
Swanton, VT 05488
wsheets@swanton.net

(for Swanton Village,
Inc. Electric Department)

Ronald A. Shems, Esq.
Tarrant, Gillies & Shems, LLP
P.O. Box 1440
Montpelier, VT 05601-1440
ron@tarrantgillies.com

(for Washington Electric
Cooperative Inc.)

(for City of Burlington
Electric Department)

Darren Springer
City of Burlington Electric Department
585 Pine Street
Burlington, VT 05401
dspringer@burlingtonelectric.com

Emily Stebbins-Wheelock
City of Burlington Electric Department
585 Pine Street
Burlington, VT 05401
estebbins-wheelock@burlingtonelectric.com

(for City of Burlington
Electric Department)

Michael Sullivan
Town of Hardwick Electric Department
P.O. Box 516
Hardwick, VT 05843
msullivan@hardwickelectric.com

(for Town of Hardwick
Electric Department)

Philene Taormina
AARP
199 Main Street
Ste 225
Burlington, VT 05401
ptaormina@aarp.org

(for AARP)

Rebecca Towne
Vermont Electric Cooperative, Inc.
42 Wescom Road
Johnson, VT 05656
rtowne@vermontelectric.coop

(for Vermont Electric
Cooperative Inc.)

Graham Turk
Green Mountain Power Corporation
163 Acorn Lane
Colchester, VT 05446
graham.turk@greenmountainpower.com

(for Green Mountain
Power Corporation)

Matthew J. Walker
Efficiency Vermont-Vermont Energy Investment Corporation
20 Winooski Falls Way
5th Floor
Winooski, VT 05404
mjwalker@veic.org

(for Efficiency Vermont
- Vermont Energy
Investment Corporation)

(for Village of Hyde
Park Electric)

Karen Wescom
Village of Hyde Park Electric Department
PO Box 400
Hyde Park, VT 05655
karen@hydeparkvt.com

Department)

David C. Westman
Efficiency Vermont - Vermont Energy Investment Corporation
20 Winooski Falls Way
5th Floor
Winooski, VT 05404
dwestman@veic.org

(for Efficiency Vermont
- Vermont Energy
Investment Corporation)