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September 29, 2023

Holly Anderson, PUC Clerk  
Vermont Public Utility Commission  
112 State Street  
Montpelier, VT 05620-2701

**Re: Case No. 22-2954-PET**, Efficiency Vermont Request for Authorization to continue delivery of certain Act No. 151 Emissions Reduction Programs approved in Case No. 19-3272-PET Starting January 1, 2024 while the Public Utility Commission considers new Efficiency Vermont Act No. 44 Emissions Reduction Programs

Dear Clerk Anderson:

On December 31, 2023, Efficiency Vermont's<sup>1</sup> authorization to offer the greenhouse gas ("GHG") emissions reduction programs authorized by Orders of May 27, 2021 and September 20, 2021 in Case No. 193272-PET will expire. These programs were authorized pursuant to Act No. 151<sup>2</sup> which conferred authority on the Public Utility Commission (the "Commission") to allow funding raised via the Energy Efficiency Charge ("EEC") to be used for the implementation of GHG emissions reduction programs during the 2021 to 2023 performance period. On June 1, 2023, Act No. 44, *An act relating to energy efficiency modernization*, was signed into law by the Governor conferring authority on the Commission to authorize GHG emissions reduction programs for implementation in the 2024 to 2026 performance period. By this letter, Efficiency Vermont requests that the Commission grant it interim authorization on an expedited basis to continue the delivery of certain of its approved Act No. 151 emissions reductions programs starting January 1, 2024 while the Commission conducts a review of new Act No. 44 emissions reduction programs to be filed with the commission this fall in this Demand Resources Plan Proceeding ("DRPP"). Efficiency Vermont maintains that if it is required to wind down all of its existing Act No. 151 Programs by December 31, 2023 only to then restart new Act No. 44 programs targeted at the same markets shortly thereafter in 2024,

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<sup>1</sup> Efficiency Vermont is the statewide Energy Efficiency Utility ("EEU") administered pursuant to an Order of Appointment by the Vermont Energy Investment Corporation ("VEIC"). See Case No. 22-1647-PET, VEIC Order of Appointment, dated January 23, 2023.

<sup>2</sup> "Act No. 151" refers to *An act relating to energy efficiency entities and programs to reduce greenhouse gas emissions in the thermal energy and transportation sectors* as enacted by the Vermont General Assembly and signed into law on September 23, 2020.

customers and delivery partners will face unnecessary disruptions and cost increases that could create lost opportunities, discourage participation and adversely impact program results and activities, all to the detriment of ratepayers and the public.

During the interim period while the Commission is reviewing the to-be-filed complete Act No. 44 programs, Efficiency Vermont proposes to continue several important Act No. 151 initiatives. Specifically, Efficiency Vermont seeks to have authorization to continue to incur labor and expenses in the following program areas:

- Up to \$85,000 for Electric Vehicle (“EV”) Dealership Infrastructure incentives to pay for commitments on projects already identified, but which are not expected to complete until 2024;
- Up to \$250,000 to continue paying midstream EV Dealership Sales incentives to eligible members of the EV Dealer Network established under the Act No. 151 programs;
- Up to \$710,000 to continue deploying the Low-Income Fuel Switch program for the customers who have registered and are currently on a wait-list for the program services established under Act No. 151 authorization; and
- Estimated \$160,000 for ongoing labor costs to serve the above-referenced programs referenced by this request through Q2 2024.

In total, Efficiency Vermont estimates these activities may incur up to \$1,205,000 in ongoing costs through the second quarter of 2024.

Efficiency Vermont represents in this letter that it expects to fully expend all available Act No. 151 program funds authorized by the Commission in Case No. 19-3272-PET by the end of 2023, and requests the Commission authorize ongoing expenses in 2024 for the projects identified here on the basis that these program initiatives were reviewed by the Commission in that case and were found to satisfy the requirements of Act No. 151. The substantive requirements for approval of programs under Act No. 151 have been carried forward in Act No. 44, and therefore Efficiency Vermont believes continuation of these existing programs currently satisfy the substantive requirements for reauthorization under Act No. 44. Specifically, these initiatives:

- (1) reduce GHG emissions in the thermal energy or transportation sectors, or both;
- (2) have a nexus with electricity usage;
- (3) are additive and complementary to, and do not replace or compete with electric utility energy transformation projects pursuant to 30 V.S.A. § 8005(a)(3) and existing EEU thermal efficiency programs such that they result in the largest possible greenhouse gas emissions reductions in a cost-effective manner;
- (4) were proposed after Efficiency Vermont consulted with relevant State agencies or departments and does not duplicative or compete with programs delivered by such agencies or departments; and

(5) are being delivered on a statewide basis.

Moreover, also consistent with the requirements of Act No. 44, Efficiency Vermont's electric resource acquisition budget for the 2024 to 2026 performance period does not exceed its total electric resource acquisition budget for the 2021 to 2023 performance period, adjusted for cumulative inflation between January 1, 2021, and July 1, 2023, using the national consumer price index.<sup>3</sup> Accordingly Efficiency Vermont contends that its proposal to continue the identified Act No. 151 GHG emissions reductions initiatives during the interim period while its Act No. 44 programs are being reviewed in this DRPP should be found to meet the requirements for authorization established under Act No. 44.

As the Commission considers Efficiency Vermont's request, please recall that pursuant to the Order of October 13, 2022 in this investigation the Commission took administrative notice of the record developed in Case No. 19-3272-PET. As a result, the record evidence from the last DRPP can be considered at this time including the Supplemental Testimonies of Witness Westman, Weston, Pilliod and Massie dated February 12, 2021, and Exhibits EVT-CW-4 (Efficiency Vermont Workpaper Act No. 151 Programs), EVT-JEM-9 (Amended Efficiency Vermont 2021-2023 Budgets) and Exhibit EVT-JP-4 (Efficiency Vermont's Amended DRP Model) that together describe Efficiency Vermont's previously approved Act No. 151 programs. In combination with the record evidence admitted in this DRPP, this information should provide the Commission with the factual background that it will need to consider Efficiency Vermont's request under Act No. 44. Based on Efficiency Vermont's review of this evidence, I can represent that the information herein described remains true and accurate, that I would offer the same information should the Commission convene a hearing, and that the Commission should have the information it needs to consider and approve the proposal to continue the identified GHG emissions reduction initiatives starting January 1, 2024.

Efficiency Vermont requests and would appreciate expedited resolution of this request to ensure that program delivery can continue without unnecessary interruption. An advance copy of this request was shared with counsel for the Vermont Department of Public Service and the Vermont Public Power Supply Authority. Implementation of this request should not impact Efficiency Vermont's commitments under the approved amended Memorandum of Understanding with VPPSA.

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<sup>3</sup> Efficiency Vermont's total 2021-2023 Electric RA budget is \$121,585,770 (*see* page 68 of Efficiency Vermont 2023 Update to the 2021-2023 Triennial Plan, filed in Case No. 22-4719-INV on November 1, 2022). Efficiency Vermont's proposed total 2024-2026 Electric RA budget is \$126,078,680 (*see* page 24 of Order Approving Efficiency Vermont's 2024-2026 Demand Resource Plan issued September 26, 2023 in Case No. 21-2954-PET). As such, Efficiency Vermont's proposed total 2024-2026 Electric RA budget is 3.7% greater than its total 2021-2023 Electric RA budget. According to the U.S. Bureau of Labor Statistics, the 'all items in U.S. city average' CPI increased 16.9% from January 2021 (261.582 CPI points) to July 2023 (305.691 CPI points). As such, Efficiency Vermont's total 2021-2023 Electric RA budget adjusted for inflation between January 2021 and July 2023 using the national CPI would be \$142,088,048.58. Efficiency Vermont's proposed total 2024-2026 Electric RA budget does not exceed this amount and as such meets the requirement set forth in Act No. 44 at Sec.1(a). See <https://data.bls.gov/timeseries/CUUR0000SA0> for U.S. Bureau of Labor Statistics CPI data and [https://www.bls.gov/data/inflation\\_calculator.htm](https://www.bls.gov/data/inflation_calculator.htm) for Bureau of Labor Statistics CPI Inflation Calculator.

Should you seek additional information or have questions concerning this request, please do not hesitate to contact me.

Respectfully submitted,



David C. Westman  
Director, Regulatory and State Agency Affairs

cc: Parties of Record (via ePUC)