

STATE OF VERMONT  
PUBLIC UTILITY COMMISSION

Case No. 22-2954-PET

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Petition of the Department of Public Service to open a proceeding to initiate EEU Demand Resources Plan proceeding for the 2024-2026 and 2027-2029 performance periods	
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Order entered: 07/08/2024

**ORDER ACCEPTING EFFICIENCY VERMONT'S AMENDED DEMAND RESOURCES PLAN, APPROVING PERFORMANCE GOALS FOR THE 2024-2026 PERFORMANCE PERIOD, AND APPROVING PUBLIC AFFAIRS GUIDELINES**

**I. INTRODUCTION**

In today's Order, the Vermont Public Utility Commission ("Commission") accepts the filing made by Efficiency Vermont noticing its intent to reallocate \$2 million per year of its approved electric resource-acquisition budgets for the 2024-2026 performance period for the delivery of greenhouse gas emissions reduction programs in the thermal and transportation sectors. We also approve adjustments to the performance goals for the 2024-2026 performance period to reflect the reallocation of spending.

In addition, we approve Efficiency Vermont's proposed public affairs guidelines. These guidelines will be incorporated into Vermont Energy Investment Corporation's ("VEIC") Order of Appointment in Case 22-1647-PET.

**II. DISCUSSION AND CONCLUSION**

**Amendments Reflecting Act 44 Programs**

On January 10, 2024, the Commission approved amendments to Efficiency Vermont's Demand Resources Plan ("DRP") for the 2024-2026 performance period to allow the use of electric energy efficiency charge funds for the implementation of greenhouse gas emission reduction programs as authorized by Public Act No. 44.<sup>1</sup> The January 10, 2024, Order approved amendments for the implementation of Act 44 programs in the 2024 performance year and for

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<sup>1</sup> Vermont Public Act No. 44 (2023 Vt. Bien. Sess.); *Order Approving Efficiency Vermont's Amended Demand Resources Plan for 2024 And Requiring Further Process For 2025 and 2026*, Case No. 22-2954-PET, Order of 1/10/24.

years 2025 and 2026, the Commission allowed for further process to examine whether the proposed programs and budget levels result in the largest possible greenhouse gas emission reductions in a cost-effective manner.

On May 30, 2024, Vermont Governor Scott signed S.305 into law (Act 142).<sup>2</sup> Section 7 of Act 142 makes changes to Act 44 to allow an entity appointed under 30 V.S.A. § 209(d)(2)(A) to spend a portion of its electric resource-acquisition budgets, in an amount not to exceed \$2,000,000 per year, on programs, measures, and services that reduce greenhouse gas emissions in the thermal energy or transportation sectors after submitting notice to the Commission, the Vermont Department of Public Service (“Department”), the electric distribution utilities, and the Vermont Public Power Supply Authority. The notice must include the amount of the annual electric resource-acquisition budgets to be spent and a sworn statement attesting that the programs, measures, or services comply with the criteria in Sections 1(b)(1) through (5) of Act 44.

On June 6, 2024, Efficiency Vermont filed notice in this case of its intent to reallocate \$2,000,000 per year of its approved electric resource-acquisition budgets for the 2024-2026 performance period for the delivery of greenhouse gas emissions reduction programs in the thermal and transportation sectors. The testimony and exhibits supporting Efficiency Vermont’s Act 44 budgets and programs are part of this case record and were filed in advance of the January 10, 2024, Order approving Efficiency Vermont’s Act 44 programs for the 2024 performance year.

Efficiency Vermont attests that its programs, measures, and services meet the requirements of Act 44, Sections 1(b)(1) through (5): (1) reduce greenhouse gas 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 distribution utility energy transformation projects implemented pursuant to 30 V.S.A. § 8005(a)(3) such that they result in the largest possible greenhouse gas emission reductions in a cost-effective manner; (4) were proposed after consulting with relevant State agencies or departments and will not be duplicative or in competition with programs delivered by that agency or department; and (5) will

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<sup>2</sup> Vermont Public Act No. 142 (2024 Vt.).

be delivered on a statewide basis and will be reasonably proportionate to the energy efficiency charge collected in a distribution utility territory.<sup>3</sup>

In its June 6, 2024, filing, Efficiency Vermont requests approval of its electric and thermal-and-process-fuels (“TEPF”) quantifiable performance indicators (“QPI”) targets and minimum performance requirements that have been revised to reflect the implementation of its Act 44 programs. No comments were received on Efficiency Vermont’s request for approval of the QPIs.

We approve Efficiency Vermont’s revised electric and TEPF QPI targets and minimum performance requirements. The revised performance goals were provided as an exhibit in advance of the January 10, 2024, Order and reflect the implementation of budgets and programs during the 2024-2026 performance period that include Act 44 programs.

The electric and TEPF QPIs and minimum performance requirements for the 2024-2026 performance period that we approve in today’s Order are contained in the tables in exhibit Attachment 2 (revised 12/8/23). The tables include corresponding incentive amounts for each target, minimum targets, 100% target levels, scaling calculations, and financial consequences for under-performance.

#### Public Affairs Guidelines

On January 31, 2024, as required by the September 26, 2023, Order approving Efficiency Vermont’s DRP, Efficiency Vermont filed for Commission approval of proposed public affairs guidelines developed in collaboration with the Department.<sup>4</sup> Efficiency Vermont proposes changes to Sections II and III of its Order of Appointment to add public affairs requirements. The Section II change adds the requirement that VEIC not use electric or TEPF budgets for the purpose of lobbying the Vermont Legislature. The Section III changes add requirements for the costs of public affairs work that include: (1) allowing the use of development and support services budgets to provide information and data to the legislature on Efficiency Vermont programs and services; (2) identifying circumstances when labor and expenses for public affairs work can be recovered from the development and support services budgets; (3) identifying the circumstances when labor and expenses to track and participate in legislative processes cannot be

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<sup>3</sup> Affidavit of David C. Westman, dated June 6, 2024.

<sup>4</sup> Order 9/26/23 at 19, 30.

recovered from electric and TEPF budgets; and (4) identifying VEIC and Efficiency Vermont roles in legislative public affairs.<sup>5</sup>

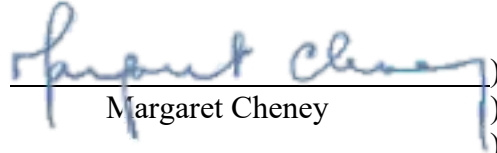
We approve Efficiency Vermont's proposed public affairs guidelines. The guidelines are consistent with the requirements of the September 26, 2023, Order that the public affairs category in the development and support services budgets include guidelines for when costs related to legislative work are billed to Efficiency Vermont versus VEIC. The Commission will issue a revised Order of Appointment that reflects the approved guidelines in Case No. 22-1647-PET, which concerns the review of the Energy Efficiency Utilities' Orders of Appointment.

**SO ORDERED.**

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<sup>5</sup> Efficiency Vermont January 31, 2024, Filing and Attachments.

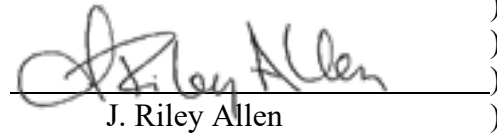
Dated at Montpelier, Vermont, this 8th day of July, 2024.

  
Margaret Cheney

) PUBLIC UTILITY


) COMMISSION

) OF VERMONT

  
J. Riley Allen

OFFICE OF THE CLERK

Filed: July 8, 2024

Attest:   
Deputy 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](mailto:puc.clerk@vermont.gov))*

*Appeal of this decision to the Supreme Court of Vermont must be filed with the Clerk of the Commission within 30 days. Appeal will not stay the effect of this Order, absent further order by this Commission or appropriate action by the Supreme Court of Vermont. Motions for reconsideration or stay, if any, must be filed with the Clerk of the Commission within 28 days of the date of this decision and Order.*

PUC Case No. 22-2954-PET - SERVICE LIST

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