

VERMONT SYSTEM PLANNING COMMITTEE

September 27, 2012

Mrs. Susan Hudson, Clerk
Vermont Public Service Board
112 State Street
Montpelier, VT 05620

Re: EEU-2010-06: Vermont System Planning Committee Status Update on Consideration of Appropriate Funding Sources for Geographic Targeting of Energy Efficiency

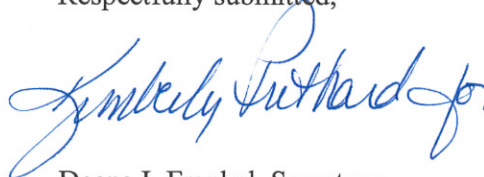
Dear Mrs. Hudson:

In its February 16, 2012, *Order Re Geographic Targeting of Energy Efficiency Utility Services in 2012-2014; Motion for Reconsideration and Clarification*; the Public Service Board (Board) requested that the Vermont System Planning Committee (VSPC) provide “a recommendation or status update on its evaluation of appropriate funding sources and budgets for [Geographically Targeted (GT)] areas . . .” As required in the Order, the VSPC issued a status report on July 6 proposing to provide “a recommendation or a second status report” by September 28, 2012. The VSPC, through its Energy Efficiency and Forecasting (EE&F) Subcommittee provides this letter as a second status report.

The EE&F Subcommittee has now convened numerous times to discuss the appropriate funding mechanisms for GT energy efficiency services. Developing a simple methodology that ensures that GT services are funded equitably has not been straightforward. It appears, however, that a consensus recommendation from the VSPC may be forthcoming. The VSPC proposes that it provide its recommendation by October 24. In the event that consensus is *not* reached, the VSPC proposes that it provide a status report at that time explaining its considerations, and that members file individual comments on a schedule to be determined by the Board.

Thank you for your consideration.

Respectfully submitted,



Deena L Frankel, Secretary

cc: VSPC