

STATE OF VERMONT  
PUBLIC UTILITY COMMISSION

Case No. 22-2954-PET

Petition of Vermont Department of Public Service to open an energy efficiency utility Demand Resources Plan proceeding for the 2024-2026 performance period	
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Order entered: 11/13/2023

**ORDER ADDRESSING CLARIFICATIONS AND REVISIONS TO  
EFFICIENCY VERMONT'S DEMAND RESOURCES PLAN**

**I. INTRODUCTION**

In this Order, the Vermont Public Utility Commission (“Commission”) makes clarifications and revisions to the approved Demand Resources Plan (“DRP”) for Efficiency Vermont for the 2024-2026 performance period.<sup>1</sup>

**II. BACKGROUND AND PROCEDURAL HISTORY**

In a September 26, 2023, Order, the Commission approved Efficiency Vermont’s DRP for the 2024-2026 performance period, which includes resource-acquisition and development and support services budgets, quantifiable performance indicator (“QPI”) targets, minimum performance requirements, and performance compensation. The Commission also committed to convene a working group, in a new proceeding, to address flexible load management issues.

On October 20, 2023, Efficiency Vermont filed a motion for clarification concerning two areas in its approved DRP: the budgets for the refrigerant management program and flexible load management working group.

No comments were received on Efficiency Vermont’s motion.

**III. REQUEST FOR CLARIFICATION**

Efficiency Vermont requests clarification of its approved DRP with respect to the refrigerant management program and the establishment of a flexible load management working group.

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<sup>1</sup> Vermont Energy Investment Corporation (“VEIC”) has been appointed to provide energy efficiency services throughout the state (known as “Efficiency Vermont”), except in the service territory of the City of Burlington Electric Department. Efficiency Vermont’s DRP was approved in this proceeding by Order of 9/26/2023.

With respect to the refrigerant management program, Efficiency Vermont requests that the Commission clarify the intent of its decision to reduce the resource-acquisition budgets by \$350,000. Efficiency Vermont interprets this requirement to require that other portions of the electric resource-acquisition budgets not allocated for refrigerant management be reduced by \$350,000. In support of this interpretation, Efficiency Vermont notes that its DRP proposal included a budget of \$350,000 for the refrigerant management program and a request to allow the use of this same budget to serve as matching funds to secure incremental funding of \$700,000 from the Vermont Agency of Natural Resources (“ANR”).<sup>2</sup> If Efficiency Vermont’s interpretation is contrary to Commission expectations, Efficiency Vermont seeks clarity as to whether the \$350,000 reduction is intended to reduce the planned spending in refrigerant management activities specifically, or intended to prohibit Efficiency Vermont from using energy efficiency charge funds to match ANR funding. In addition, Efficiency Vermont seeks clarification on when or whether there are notice filing requirements concerning details of the ANR agreement.

With respect to the convening of a flexible load management working group, Efficiency Vermont maintains that it is not the appropriate entity to file a petition seeking the creation of such a working group and maintains that the Vermont Department of Public Service (“Department”) is better suited to file any required petition, with Efficiency Vermont remaining an interested and engaged stakeholder. Efficiency Vermont requests that the Commission assign the Department with the task of leading the working group.

#### IV. DISCUSSION

##### Refrigerant Management Program

In the September 26, 2023, Order, we approved a \$350,000 reduction in Efficiency Vermont’s proposed resource acquisition budgets. Our intent was to reduce the proposed budgets for the refrigerant management program to reflect the approved FY 2024 State budget that includes a \$700,000 appropriation to ANR for a refrigerant management initiative. Our approval was based on an understanding that Efficiency Vermont would spend at least \$700,000 of energy efficiency charge funds on its proposed refrigerant management program and that the

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<sup>2</sup> See Westman reb. pf. (5/11/23) at 5-6.

reduction in the electric resource-acquisition budgets would come from the portion of the proposed budgets for refrigerant management activities. Based on our review of Efficiency Vermont's request for clarification, we now understand that Efficiency Vermont's proposed budgets for the refrigerant management program are \$350,000 in total, and any reduction of the resource-acquisition budgets would need to come from other non-refrigerant management activities because Efficiency Vermont represents that \$350,000 is needed to serve as matching funds to secure the incremental funding of \$700,000 from ANR.

Therefore, we now decline to reduce Efficiency Vermont's proposed resource-acquisition budgets by \$350,000. Efficiency Vermont's proposed budgets, modeling of resource-acquisition savings, and agreement with ANR assume the use of \$350,000 to match the ANR-funded initiative. A reduction of \$350,000 in the refrigerant management budget would result in no refrigerant management activities and a loss in ANR-matching funds. Further, to maintain the refrigerant management program, a \$350,000 reduction in the resource-acquisition budgets would need to come from other program activities. The Commission's conclusions and determinations concerning Efficiency Vermont's approved DRP did not presume a \$350,000 reduction to other non-refrigerant management activities.

Based on the clarifications and revisions made in today's Order, the approved electric resource-acquisition budgets are \$126,428,680 for the 2024-2026 performance period. Within 30 days of issuance of today's Order, Efficiency Vermont is directed to file for Commission approval revised budget tables to reflect the determinations made in this Order.<sup>3</sup> In addition, Efficiency Vermont is directed to file any revisions to the tables containing its electric QPIs and minimum performance requirements and modeling results of expected savings that may result from the determinations made in this Order.<sup>4</sup>

Efficiency Vermont also requests clarification on its filing requirements concerning the details of the ANR agreement. In the September 26, 2023, Order, the Commission directed Efficiency Vermont to file a status report with the Commission if the details of the ANR agreement change and a different amount of electric resource-acquisition budgets is dedicated to

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<sup>3</sup> These revisions would be to the budget tables filed by Efficiency Vermont on October 26, 2023.

<sup>4</sup> Efficiency Vermont filed QPI and compensation tables on October 26, 2023, and filed modeling results on November 1, 2023.

the ANR initiative. Accordingly, if the terms of the agreement signed with the State are substantively different from what has been represented in this proceeding, Efficiency Vermont is required to file notice with the Commission, otherwise no filing is expected.

#### Flexible Load Management Working Group

In the September 26, 2023, Order, we approved the recommendation supported by the Department and Efficiency Vermont to open a new proceeding to convene a flexible load management working group. Efficiency Vermont maintains that the Department, collaborating with other stakeholders including Efficiency Vermont, is the appropriate entity to file a petition seeking the creation of such a working group, rather than the September 26, 2023, Order requirement for Efficiency Vermont to be that entity. We adopt this approach.

Accordingly, the Commission will convene a working group managed by the Department, working with Efficiency Vermont and other stakeholders, to identify and work towards consensus on flexible load management needs, goals, and outcomes for Efficiency Vermont to pursue at the statewide level. The working group may include participation by the distribution utilities, other energy efficiency utilities (“EEUs”), and Vermont Electric Power Company. To start this new proceeding, within 90 days of the September 26, 2023, Order, the Department is requested to file a petition in a new proceeding to convene the working group. The working group must assess the ratepayer value of flexible load management, including the following activities: (1) identification of a methodology for quantifying the benefits of flexible load management; (2) articulation of the roles and responsibilities regarding deployment for distribution utilities and the EEUs; and (3) evaluation of potential for Vermont.

#### **V. CONCLUSION**

In this Order, the Commission approves revisions to the electric resource-acquisition budgets for Efficiency Vermont for the 2024-2026 performance period. We also approve changes to the structure of a working group addressing flexible load management.

#### **VI. ORDER**

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED by the Vermont Public Utility Commission (“Commission”) that:

1. The electric resource-acquisition budgets for Efficiency Vermont for the 2024-2026 performance period are those approved in this Order and the September 26, 2023, Order.

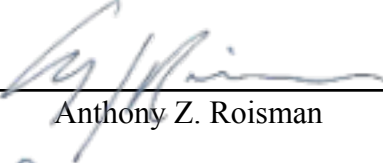
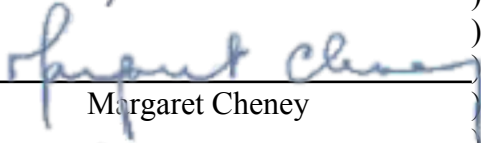
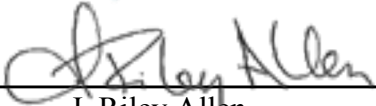
2. Within 30 days of this Order, Efficiency Vermont must file for Commission approval budget tables to reflect the determinations made in this Order. All filings pursuant to this paragraph must be made in the compliance portion of this case.

3. Within 30 days of this Order, Efficiency Vermont must file for Commission approval any revisions to resource-acquisition modeling for the 2024-2026 performance period to reflect the determinations made in this Order. Any comments on the filing and any requests for additional process are due 15 days later. All filings pursuant to this paragraph must be made in the compliance portion of this case.

4. Within 30 days of this Order, Efficiency Vermont must file for Commission approval any revisions to the tables containing the electric quantifiable performance indicators and minimum performance requirements for the 2024-2026 performance period to reflect the determinations made in this Order. The tables must include corresponding incentive amounts for each target, minimum targets, 100% target levels, scaling calculations, and financial consequences for under-performance. Any comments on the filing and any requests for additional process are due 15 days later. All filings pursuant to this paragraph must be made in the compliance portion of this case.

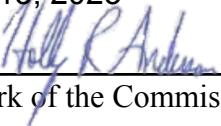
5. In a new proceeding, the Commission will convene a working group lead by the Vermont Department of Public Service (“Department”), working with Efficiency Vermont and other stakeholders, to identify and work towards consensus on flexible load management needs, goals, and outcomes for Efficiency Vermont to pursue at the statewide level. Within 90 days of the September 26, 2023, Order, the Department is requested to file a petition to convene the working group. The working group must assess the ratepayer value of flexible load management, including the following activities: (1) identification of a methodology for quantifying the benefits of flexible load management; (2) articulation of the roles and responsibilities regarding deployment for distribution utilities and the efficiency utilities; and (3) evaluation of potential for Vermont. The working group may include participation by the distribution utilities, other Energy Efficiency Utilities, and Vermont Electric Power Company.

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

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

OFFICE OF THE CLERK

Filed: November 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)*

*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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