

Vermont Public Power Supply Authority

Legislative and Regulatory Affairs Committee Meeting

March 13, 2019

11:45 a.m.

VPPSA Board Room

5195 Waterbury-Stowe Road, Waterbury Center, VT

CALL IN NUMBER: 1-773-231-9226 MEETING ID: 802 244 7678#

COMMITTEE DIRECTORS

Reg Beliveau, Swanton	Jonathan Elwell, Enosburg	Meredith Birkett, Johnson
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AGENDA

Allotted number of minutes set forth in bold type after each item

1. Call to Order
2. Consideration of changes/modifications to agenda (**3**)
3. Public comment (**3**)
4. Consideration of the Committee Meeting Minutes – November 14, 2018 (**4**)
5. Regulatory Update: PUC Proceedings (**30**)
 - a. Case # 18-2660 Investigation into promoting the ownership and use of electric vehicles in the State of Vermont
 - b. Docket 8316 – EVT Data Transfer
 - c. Docket 7307 – Privacy Principles
6. Legislative Update (**30**)
 - a. Section 108 amendments
 - b. Legislation on Electric Vehicle Charging
 - c. 2019 Session Overview
7. Renewable Energy Standard Tier 3 (**30**)
 - a. RES Rulemaking
 - b. 2019 Tier 3 Programs
 - c. EVT Coordination
8. Other Business (**5**)

cc:

Evan Riordan, Barton	Tin Barton Caplin, Barton	Gary Denton, Enosburg
Mike Sullivan, Hardwick	Carol Robertson, Hyde Park	Riki French, Hyde Park
Mac Butova, Jacksonville	Pam Moore, Jacksonville	Walter Pomroy, Johnson
Jim Pallotta, Ludlow	Vacant, Ludlow	Bill Humphrey, Lyndonville
Clay Bailey, Lyndonville	Craig Myotte, Morrisville	Penny Jones, Morrisville
Stephen Fitzhugh, Northfield	Jeff Schulz, Northfield	John Morley III, Orleans
Marilyn Prue, Orleans	Lynn Paradis, Swanton	

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Vermont Public Power Supply Authority
LEGISLATIVE & REGULATORY BOARD COMMITTEE
MEETING MINUTES
November 14, 2018

Committee Directors present (X indicates present, P indicates present by phone):

P	Reginald Beliveau, Swanton	X	Meredith Birkett, Johnson
		X	Jonathan Elwell, Enosburg

Other Directors present:

Carol Robertson, Hyde Park by phone	John Morley III, Orleans
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Alternates present:

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Others present:

Ken Nolan, VPPSA	Jonathan Wolff, Primmer (by phone)
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(numbers in bold type correspond with agenda item numbers)

1. Director Morley called the meeting to order at 11:50am.
2. There were no changes to the agenda.
3. There were no members of the public present.
4. Motion was made by Director Birkett, second by Director Elwell, to approve the committee meeting minutes of September 12, 2018. Motion passed unanimously.
5. The committee was briefed on major outstanding PUC Cases, including Case # 18-2660 Investigation into promoting the ownership and use of electric vehicles in the State of Vermont, Case # 18-2867 Regulation of Energy Efficiency Utilities in Vermont, and Docket 813 – EVT Data Transfer. The committee discussed VPPSA’s positions in each Case. In particular, discussion on the electric vehicle Case revolved around the need for all entities providing charging services to be treated similarly. In relation to the EEU Case the committee expressed concern that the true cost of EVT services was not well known and the facts were



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not getting published. The committee encouraged VPPSA to continue highlighting the true costs of EVT operation and the inequities that exist in the present structure.

6. Jonathan Wolff was present to provide an update on election results and how they may impact energy issues. The committee then discussed VPPSA's proposed 30 V.S.A. §108 legislative changes and how those changes might affect future municipal borrowings. The committee expressed support for VPPSA's draft language. Discussion then turned toward legislative outreach and how VPPSA could become more proactive on legislative issues. The committee consensus was that VPPSA would need to become known to key legislators, probably needed to conduct an outreach session in Montpelier early in the session, and then should follow those efforts up with outreach by members with their local representatives and written information updates.
7. The committee reviewed the results of VPPSA's 2018 EV rebate pilot and discussed other alternatives that might be considered. The General Manager then briefed the committee on VPPSA's 2019 Renewable Energy Standard program as filed with the PUC. There was extensive discussion about the program scope and how various measures would be treated. Director Birkett suggested that VPPSA consider evaluating contributions to local transit authorities as a possible measure. Vermont, and northeastern Vermont in particular is facing significant transportation challenges as the population ages and Director Birkett wondered if VPPSA could somehow contribute to a solution while also gaining Tier 3 RES credits. The General Manager committed to having the staff consider the suggestion. The General Manager then updated the committee on VPPSA's collaboration efforts with EVT highlighting areas where the effort appears to be working and those where struggles remain.
8. There was no Other Business

The meeting was adjourned at 1:50 p.m.

Respectfully submitted,

Ken Nolan, Acting Secretary
Legislative & Regulatory Committee

Memorandum

To: VPPSA Legislative and Regulatory Affairs Committee
From: Melissa Bailey
Date: March 13, 2019
Subject: **Agenda Item #5** – Relevant PUC Proceedings

VPPSA is closely monitoring and actively participating in several proceedings underway at the Public Utility Commission that could have significant impacts on the VPPSA member utilities. The current status of these investigations is described below:

- a. **Case # 18-2660 Investigation into promoting the ownership and use of electric vehicles in the State of Vermont** – Last year, the Legislature directed the PUC to look at barriers to electric vehicle ownership in Vermont, including the availability of electric vehicle charging stations. The PUC opened a proceeding to develop recommendation on the appropriate regulatory oversight for owners of EV charging stations (EVSE), including whether these entities will be permitted to sell electricity by the kWh. The PUC recommended to the Legislature in January that EVSE owners be permitted to sell kWh for EV charging, and that they be **exempt** from PUC and Public Service Department regulation. The PUC proceeding, which must be completed by June, will next explore methods for EV owners to contribute to the transportation fund, as specific rates for EV charging, issues around demand charges for EVSE, and EVSE metering. VPPSA is participating jointly with BED in this proceeding.
- b. **Docket 8316** – The PUC approved the settlement agreement between VPPSA and Efficiency Vermont related to sharing customer usage data for the provision of efficiency services. The final approved data standard includes several additional data fields that must be included in the monthly data transfer to EVT. The agreement further specifies that EVT will cover the incremental cost of providing these data fields, and the utilities will not be required to transfer any data they are not already collecting. VPPSA staff will work with members in the coming months to facilitate the necessary changes to the EVT data transfer.
- c. **Docket 7307** - The PUC has finally adopted Privacy Principles (attached) that apply to all DUs. The Order says each utility needs to have a privacy policy in place consistent with its principles, but it does not include a compliance filing requirement.

Statement of Policy Relative to Privacy

- (1) For purposes of these Principles,
 - (a) "Individually Identifiable Customer Smart Meter Data" is any usage information that can reasonably be identified or re-identified with an individual, family, household, residence, or customer.
 - (b) "Utility" is any electric distribution utility, electrical service provider, electric corporation, or energy efficiency utility ("EEU") subject to regulation by the Vermont Public Utility Commission.
- (2) Vermont's Utilities, and their authorized subcontractors, will treat customer personal information and usage data as confidential, to the extent permitted by state and federal law, including public records disclosure law in the case of municipal Utilities.
- (3) Unless specifically required by state or federal law, or the express consent of the affected customer(s), a Utility, or in the case of an EEU as authorized under its Order of Appointment and the corresponding Process and Administration Document, as established by the Vermont Public Utility Commission, shall not disclose Individually Identifiable Customer Smart Meter Data by giving, selling, or otherwise distributing it to a third party unless required to do so by (1) a judicial order (including a subpoena signed by a judge); (2) a warrant naming with specificity the customer(s) whose information is sought and issued pursuant to the Vermont or Federal Rules of Criminal Procedure upon a finding of probable cause or (3) as authorized in these Principles. A Utility may not provide real time access to information unless pursuant to a judicial order issued under the applicable state or federal wiretap law. Municipal Utilities are also subject to nondisclosure provisions of state and federal laws. The forgoing does not restrict the sale, transfer, or other distribution of aggregated data that cannot be used to identify any single Utility customer. Unless otherwise prohibited by law, if a Utility receives a duly authorized subpoena requesting disclosure of Individually Identifiable Customer Smart Meter Data, the Utility shall provide written notice to any affected customer(s) no less than ten (10) days prior to responding to the subpoena.
- (4) Each Utility shall create, maintain, and appropriately update measures to protect customer personal information including Individually Identifiable Customer Smart Meter Data from inadvertent disclosure and/or inadvertent accessibility to unauthorized third parties.
- (5) Each Utility shall adopt a privacy policy consistent with this Statement of Principles, which shall be prominently displayed, made available to customers, and presented to third-party vendors where appropriate to ensure protection of customer information. In the case of municipal utilities, such policies shall not be deemed to supersede or override state or federal public records law.
- (6) Any aggregation of customer information by a Utility for any purpose shall be done in such a way that individual customers cannot be identified from that data unless in the case of an EEU such aggregation is otherwise performed as authorized under the EEU's Order of

Appointment and the corresponding Process and Administration Document as established by the Vermont Public Utility Commission.

- (7) Utilities shall strictly adhere to any confidentiality arrangement governing the provision of customer information to any entity appointed as an EEU under 30 V.S.A. § 209(d)(2).
- (8) Utilities shall have sufficient controls in place to ensure that customer data is maintained securely within infrastructure owned or controlled by the Utility.
- (9) Any interactive connections with a customer shall require a secure method of user authentication on the part of the customer.
- (10) Customer personal information and data shall not be sold, given, or in any fashion conveyed to third persons for any commercial purpose whatsoever without the written, express consent of the customer, except to the extent, if any, that such disclosure may be required by law. Notwithstanding the foregoing, a Utility may disclose customer personal information and data, including Individually Identifiable Smart meter Data, to third party vendors or consultants with whom it works as necessary for the performance of such work. However, such disclosure shall be done in a manner that requires the vendor/consultant to maintain the confidentiality of the customer information and data.
- (11) Nothing in this Statement of Principles Relative to Privacy or in individual Utility privacy policies shall restrict a customer from choosing to provide information or access to data directly to a third-party company, through applications, devices or otherwise.
- (12) For two years, on a semi-annual basis, representatives of the Utilities shall meet with the Vermont Department of Public Service to discuss smart meter data privacy concerns as embodied in these principles and as effectuated in each Utility's individual privacy policies. Following each meeting, the Vermont Department of Public Service shall prepare and file a written report to the Vermont Public Utility Commission regarding the activities of the group.

Memorandum

To: VPPSA Legislative and Regulatory Affairs Committee
From: Melissa Bailey
Date: March 13, 2019
Subject: **Agenda Item #6** – Legislative Update

- a. *Section 108* – VPPSA staff developed legislative language related to Section 108 filing requirement to reduce the administrative burden on the VPPSA member municipalities. A bill was introduced by Sen. Ann Cummings and has been voted out of the Senate Finance Committee.
- b. *Electric Vehicle Legislation* – Several bills that include provisions related to Electric Vehicles and EV charging have been introduced this session. It is unclear yet whether these will move as independent bills, or as components of the annual Transportation Bill. Specifically, there is a great deal of discussion related to replacing “lost” gas tax revenue from electric vehicles, including the proposal to have utilities collect a per kWh tax on EV charging.
- c. *2019 Session Overview* – An up-to date verbal overview will be provided by VPPSA’s lobbyist.

Memorandum

To: VPPSA Legislative and Regulatory Affairs Committee
From: Melissa Bailey
Date: March 13, 2019
Subject: **Agenda Item #7** – Renewable Energy Standard

- a. **Renewable Energy Standard Rulemaking** – The PUC has commenced a Rulemaking for the RES. This is required by statute and will supersede the Docket 8550 Final Order that currently governs RES implementation.

- b. **Tier 3 Programs** –
 - o **Electric Vehicle Pilot Program** – In 2018, VPPSA provided rebates to 10 customers for the purchase of electric vehicles and 22 customers that purchased plug-in hybrid electric vehicles through the 2018 Electric Vehicle Pilot Program. Fossil fuel savings resulting from these vehicles will be applied towards the VPPSA members' Tier 3 obligation in a future year. 3 rebates have been processed for 2019.

 - o **New 2019 Tier 3 Programs** – In addition to continuing to offer electric vehicle rebates, VPPSA is now providing incentives for cold climate heat pumps, heat pump water heaters, electric vehicle charging stations, and custom measures at commercial and industrial facilities. VPPSA also facilitated a customer rebate for the purchase of a commercial electric mower in Orleans service territory. VPPSA is exploring opportunities for offering incentives for the conversion from gas powered golf carts and forklifts to those powered by electricity. VPPSA's Tier 3 strategy has been to promote programs that increase electric loads as well as look for low-cost Tier 2 credits that can also be used to meet Tier 3 requirements.

- c. **EVT Coordination** – VPPSA continues to collaborate with Efficiency Vermont staff on RES implementation and data sharing related to efficiency services for the benefit of mutual customers.