

**A REVIEW AND EARLY ASSESSMENT
OF PUBLIC BENEFIT POLICIES
UNDER ELECTRIC RESTRUCTURING**

**VOLUME 1: A STATE-BY-STATE CATALOG
OF POLICIES AND ACTIONS**

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ABSTRACT

This document represents Volume 1 of a two-part study comprising the first comprehensive national review and assessment of public benefit policies and approaches being taken in states that have restructured their electric industry. This report presents a detailed state-by-state “catalog” of public benefit policies, administrative approaches, and funding levels. The material in this report is based on information obtained from each state's restructuring legislation and/or regulatory orders, supplemented where necessary by interviews with appropriate state officials.

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INTRODUCTION

Since the mid-1990s, the electric utility industry in the United States has been undergoing a dramatic transformation, often referred to as “electric industry restructuring.” One important aspect of this restructuring has been the issue of what to do regarding various public interest features of the traditional regulated utility system, including such services as energy efficiency, renewable energy, and programs for low-income customers.

As various states have moved forward with their restructuring legislation and/or regulatory orders, a strategy that has frequently been employed is the inclusion of some sort of “public benefits” policy requirements to address those types of societal interests. Those public benefits policies are the focus of a major research project being conducted by ACEEE, which is dedicated to providing the first comprehensive national review and early assessment of state public benefit policies under electric restructuring.

This document constitutes the first of a two-volume set of reports to be produced under that project. This report (*Volume 1: A State-by-State Catalog of Policies and Actions*) is intended to provide a somewhat detailed (2-4 pages per state) objective description of any policies that have been established regarding restructuring-related public benefit programs in the various states. Subsequently, Volume 2 will provide the results of a qualitative assessment of both the policy development process and the early implementation experience in those states that have enacted public benefits policies.

Purpose

The restructuring of the electric industry is an enormously complex task, and presents policymakers and regulators with a great number of difficult political and technical challenges. The premise of this research project is that those involved in developing and/or implementing restructuring policy can benefit from learning what policies and approaches have been adopted in other states. This project applies that premise to the area of “public benefits” (a.k.a., “system benefits”) with the intent of providing policymakers, regulators, and other interested parties with information that will assist them in designing and implementing effective public benefits policies.

Within that context, the purpose of this report is two-fold. First, this document seeks to provide a relatively brief, yet reasonably detailed, “catalog” of state policies and actions regarding restructuring-related public benefits. Second, by informing people regarding what has happened elsewhere and what information is available, the project intends to encourage communication and information-sharing among the states. It is hoped that states can learn and benefit from each other’s experiences.

Scope

This report updates two earlier studies¹ that presented the status of electric restructuring in the fifty states and the District of Columbia. This report, however, focuses specifically on the 23 states that have formally adopted electric restructuring, either through legislation or regulatory order, plus two additional states that have passed legislation to implement statewide public benefit programs without actually restructuring their electric industry. These states are:

*Arizona, Arkansas, California, Connecticut, Delaware, Illinois, Maine, Maryland, Massachusetts, Michigan, Montana, Nevada, New Hampshire, New Jersey, New Mexico, New York, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, Texas, Vermont, Virginia, and Wisconsin.*²

The table on the following four pages presents a handy summary of the public benefits policies and funding levels for 21 of these states (i.e., those states that have enacted specific public benefits policies to date).

In reading that table, the following definitions should be applied.

SBC = System Benefits Charge

R&D = Public purpose-related research and development

EE = Energy Efficiency

LI = Low-Income

RE = Renewable Energy

Million \$ = Average annual spending in millions of dollars

Mills/kWh = Amount of the SBC expressed in mills per kilowatt-hour equivalent

% Rev = Amount of the SBC funding expressed as percentage of utility annual revenues

Admin. = Entity responsible for administering the SBC funded programs

Please note that the data in Table 1 reflects available information as of the end of March 2000.

¹ M. Kushler, 1998, *An Updated Status Report of Public Benefit Programs in an Evolving Electric Utility Industry*, American Council for an Energy-Efficient Economy; T. Raberti, 1997, *A Status Report of Public Benefit Programs in an Evolving Electric Utility Industry*, New York State Energy Research and Development Authority.

² All of these states have formally adopted electric restructuring with the exception of Vermont and Wisconsin.

Table 1. Summary of Public Benefit Programs and Electric Utility Restructuring

State	Description	Details of SBC Funding					Renewables Portfolio Standard	Generation Disclosure	
		R&D	EE	LI	RE	Total			
Arizona	In Dec96, the ACC ordered retail competition beginning in Jan99 and completed by Jan03. Later updated to begin Jan01. ACC rule requires SBC for LI, EE and RE. Funding determined in indiv. utility cases. Also a separate charge for an "Environmental Portfolio Standard" (see RE). Table is for IOUs only.	million \$	TBD	9.0	TBD	18+	27.0+	ACC rule proposed. 0.2% by 2001, up to 1.1% by 2007. Half must be solar elec.	Fuel mix and emissions are required by ACC rule.
		mills/kWh	TBD	0.4	TBD	0.85	1.25+		
		% rev.	TBD	0.3	TBD	0.6	0.9+		
		admin.	TBD	utility	utility	utility			
California	In Sept96, AB1890 was signed into law. Full retail access for all customer types began Apr98. Funding is through a non-bypassable wires charge. Totals in table are just the 4 large IOUs. Small IOUs and muni's are also spending over \$100 million on pub ben. Table shows annual average over 4 yr authorization in legis.	million \$	62.0	218+	81.0	135.0	496+	None.	Yes. A "power content label" is required for generation mix.
		mills/kWh	0.4	1.3	0.5	0.8	3.0		
		% rev.	0.4	1.3	0.5	0.8	3.0		
		admin.	CEC	Utility	CPUC	CEC			
Connecticut	In April 1998 Public Act 98-28 was signed into law. Phases in retail access during 2000. It funds EE, RE, and LI. RE ramps up over time, average is in table. Support for R&D is imbedded in the RE programs. Funds are collected through a non-bypassable wires charge.	million \$	in RE	87.0	TBD	22.0	109+	Two tier, limits hydro starting at 6% and escalating to 13% by the year 2009.	Included in bill without specifics.
		mills/kWh	in RE	3.0	TBD	0.75	TBD		
		% rev.	in RE	3.0	TBD	0.75	TBD		
		admin.	EE & RE	collab.	DPUC	St. Auth.			
Delaware	Restructuring Act signed in March 1999. Has two SBCs: 0.178 mills/kWh for EE "incentive" programs, overseen by DE Economic Dev. Office, 0.095 mills/kWh for LI bill asst. & EE, overseen by Dept. of Health & Soc. Services. An additional \$250,000 from rates is to go to customer education, esp. regarding RE.	million \$		1.5	0.8	0.3	2.6	None.	Not required. Law says Commission "may" promulgate rules.
		mills/kWh		0.18	0.1	0.03	0.3		
		% rev.		0.3	0.15	0.05	0.5		
		admin.		state	state	state			
Illinois	In Dec97, PA 90-561 was signed. It provides funding for EE, RE and LI (although EE and RE are at low levels), using non-bypassable flat monthly charges on customer bills. ("mills/kWh" equiv. includes \$ from gas & electric.) Also, one-time ComEd \$250 million Clean Energy Trust fund ok'd by legis. May 99 (not in table).	million \$		3.0	75.0	5.0	83.0	None.	All electricity retailers would be required to disclose generation mix and emissions.
		mills/kWh		0.03	0.6	0.04	0.7		
		% rev.		0.04	0.8	0.05	0.9		
		admin.		DCCA					
Maine	In May97, a state restructuring law was passed. The PUC has proposed, and legislature has authorized, up to approx.\$17 million/yr. for EE via statewide charge in distribution rates (equiv. to max. of 1.5 mills/kWh). State Planning Office will oversee. Original law also requires LI asst. funding as shown. R&D is voluntary funding.	million \$		17.2	5.5		22.7	30% starting Mar00. Limited to facilities of 100-MW or less.	Yes. Fuel mix and emissions disclosure is required.
		mills/kWh		1.5	0.8		2.3		
		% rev.		1.5	0.5		2.0		
		admin.	TBD	state	utility				

Table 1. Summary of Public Benefit Programs and Electric Utility Restructuring (cont'd)

		Details of SBC Funding					Renewables Portfolio Standard	Generation Disclosure
		R&D	EE	LI	RE	Total		
Maryland	Restructuring Law signed in April 1999. Includes \$34 million/yr. tax funded "Universal Service Fund" for bill assist. and EE for LI customers. (Table shows mills/kWh and % rev. equiv.) In addition, 2 of state's 3 largest utilities have 1 mill/kWh residential only SBC for EE ok'd thru settlements. (EE in table just for those)	million \$	13.0	34.0		47.0	PSC to conduct a feasibility study of an RPS and report by 2/1/2000.	Yes. Fuel mix and emissions disclosure is required.
		mills/kWh	1.00	0.6		0.6+		
		% rev.	0.4	0.9		0.9+		
		admin.	Utility	state				
Massachusetts	In Nov97 comprehensive legislations was signed bringing retail access to all customers in 1998. Includes a non-bypassable wires charge for EE, RE and LI. Amounts ramp up for RE and down for EE. Averages shown in table. LI must get at least .25 mills of the EE SBC. (Note: RE excludes .25 mills/kWh for MSW)	million \$	130.0	Incl.	30.0	160.0	Requires a new 1% increment by 2003, 4% more by 2009, 1%/yr. thereafter.	Fuel mix and emissions disclosure is required. Member N.E. Disclosure Project
		mills/kWh	3.00	in	0.7	3.7		
		% rev.	3.00	EE	0.7	3.7		
		admin.	Utility	Utility	MTPC			
Montana	In May97, electric utility restructuring was signed into law. Retail access began July98 and is scheduled to be completed by July02. Using EE and RE funds for R&D is approved by the new statute. Funds will be collected using a "universal system benefit charge." LI must be at least 17% of total.	million \$	TBD	TBD	TBD	14.0	None.	The PSC has proposed disclosure. Hearings are being held.
		mills/kWh	TBD	TBD	TBD	1.1		
		% rev.	TBD	TBD	TBD	2.4		
		admin.	Utility programs +					
Nevada	In July97, electric utility restructuring was signed into law. Subject to PUC review, retail access is scheduled for March 2000. Public benefit programs, including R&D, are specifically encouraged but funding is not provided by the statute. PUC is working on rules to implement the law. EE not addressed yet.	million \$	TBD	TBD	TBD	TBD	By Jan01 to be 0.2%. Add 0.2% biennially until 1% total in 2009, 1/2 to be new solar.	Bills must contain price variability, and generation mix.
		mills/kWh	TBD	TBD	TBD	TBD		
		% rev.	TBD	TBD	TBD	TBD		
		admin.						
New Hampshire	In May96, NHRSA was passed into law. Full retail access was to be implemented in Jan98, but conflicts over stranded costs have delayed the process. The statute authorizes funding for R&D, EE, RE and LI but initial PUC plan only funded LI. PUC is considering funding some EE as a result of a rehearing.	million \$	TBD	13.0		TBD	None.	Participants in the New England Disclosure Project.
		mills/kWh	TBD	1.5		TBD		
		% rev.	TBD	1.3		TBD		
		admin.	TBD	county				
New Jersey	Restructuring law passed in Jan.99. Requires SBC funding for EE/RE at same level as existing DSM costs (approx. \$235 million/yr.). Full SBC is 3.4 mills. Half would pay for costs from prior years, half for new programs. 25% of new must be RE. Numbers in table are new \$ only. LI sep. funded at prior levels.	million \$	87.5	10.1	30.0	127+	By Jan01 to be 0.5%. from "Class 1", by Jan.06 1.0%. Ramps up to 4% by 2012.	Required for fuel mix and emissions.
		mills/kWh	1.35	0.16	0.45	1.96		
		% rev.	1.35	0.15	0.45	1.95		
		admin.	Utility	Utility	Utility			

Table 1. Summary of Public Benefit Programs and Electric Utility Restructuring (cont'd)

		Details of SBC Funding					Renewables Portfolio Standard	Generation Disclosure	
		R&D	EE	LI	RE	Total			
New Mexico	Legislation to restructure (SB 428) was signed in April 1999. An SBC of 0.3 mills/kWh is required, which goes to fund consumer educ., LI energy efficiency, and renewable energy promotion. Numbers in table are specified min. or max. figures. Funds to be administered by the state Dept. of Environment.	million \$		0.5+	4.0	5.0+	Suppliers required to offer renewables, but no portfolio std. is required.	Required for fuel mix and emissions.	
		mills/kWh		incl.	incl.	0.3			
		% rev.		0.1	0.4	0.5			
		admin.		state	state				
New York	In May96, the PSC issued Order 96-12. All state IOUs filed rate and restructuring plans. A July98 Order identified \$78 million per year for an SBC to fund EE, LI and R&D, administered by NYSERDA. R&D includes \$4 million for solar & wind. (EE in table doesn't incl. Approx. \$100 million/yr. by power author.)	million \$	14.0	54.0	10.0	in R&D	None.	Required by PSC Order dated 12/15/98. Working on design to start in 2000.	
		mills/kWh	0.1	0.6	0.1				0.8
		% rev.	0.1	0.5	0.1				0.7
		admin.	state	state	state				
Ohio	Restructuring Law (SB3) signed in July 1999. Includes an SBC for up to \$15 million/yr. for an "Energy Eff. Revolving Loan Fund" admin. by the state, plus a "Universal Service Rider" for LI bill asst. and efficiency. LI in table based on recent historical spending. (EE does not incl. addtl. agreements by indiv. utilities.)	million \$		15.0	100.0		None.	Yes. Fuel mix and emissions disclosure is required.	
		mills/kWh		0.1	0.7				0.8
		% rev.		0.15	1.1				1.25
		admin.		state	state				
Oregon	Law passed in July 1999. Includes a "public purpose charge" to fund EE, RI and LI, equiv. to 3% of total IOU revenues (approx. \$50 million). Requires 63% of funds for EE (incl. MT) and 19% to RE. PUC to develop rules. LI gets 18% of PPC for weatherization, plus extra \$10 million for bill payment assistance (incl. in table totals).	million \$	31.5	19.0	9.5	60.0	None. (a "green rate" option is required, however)	Yes. Fuel mix and emissions disclosure is required.	
		mills/kWh	1.0	0.6	0.30	1.9			
		% rev.		1.9	1.1	0.60			3.6
		admin.		TBD	state	TBD			
Pennsylvania	In Dec96, a restructuring law was signed. Retail access to be phased-in over 2 yrs. starting Jan99. Law requires EE and LI minimum funding at existing levels (10m and 26m). Exact levels determined in indiv. utility cases have been higher than minimum. EE includes some renewables. LI includes 20% for efficiency.	million \$		11.0	85.0	2.0	Being addressed in indiv util cases. Also, bidders for "last resort" service need 0.2%.	Yes. Fuel mix is required. (but not emissions data.)	
		mills/kWh		0.1	0.7	0.02			0.8
		% rev.		0.1	0.9	0.02			1.0
		admin.		Utility	Utility	Utility			
Rhode Island	Retail competition phased in by Jan98. Final spending plans exceeded the legislated minimum of 2.3 mills per kWh. Some funding on R&D for "near commercialization" renewables. Funds collected through a non-bypassable wires charge, except low-income efficiency and rate discounts which are funded in rates, not the SBC.	million \$		14.0	in rates	2.5	None.	Participant of NE Disclosure Project.	
		mills/kWh		2.1	in rates	0.5			2.6
		% rev.		2.1	in rates	0.4			2.5
		admin.		Collab.	utility	Collab.			

Table I. Summary of Public Benefit Programs and Electric Utility Restructuring (cont'd)

State	Restructuring Law signed in June 1999. Requires utilities to administer EE programs to achieve savings equiv. to 10% of annual load growth by 2004. PUC to establish rates and procedures. Also a small SBC for customer educ. and LI assistance & 10% LI rate discount. (That SBC not to exceed .065 mills/kWh.)	Details of SBC Funding					Renewables	Generation	
		R&D	EE	LI	RE	Total	Portfolio Standard	Disclosure	
Texas		million \$		TBD	TBD		TBD	Requires 2000 MW of new renewables by 2009. (Phase-in, 400 MW by 2003.)	PUC required to develop rules to disclose enviro. impacts.
		mills/kWh		TBD	TBD		TBD		
		% rev.		TBD	TBD		TBD		
		admin.		utility					
Vermont	VT has not yet restructured*, but in June 1999 S.137 passed, giving PSB the authority to establish an SBC to fund statewide EE thru a non-utility entity, in place of utility programs. \$17.5 million/yr maximum. 5-year ramp-up budget was set in settlement, averages shown in table. *(in 1997, S.62 passed Senate but not House.)	Details of SBC Funding					Renewables	Generation	
		R&D	EE	LI	RE	Total	Portfolio Standard	Disclosure	
		million \$		13.1	TBD	TBD	TBD	S62 required 2-tier, existing (up to 15%) & emerging (up to 4%) by 2007.	S62 required price, mix, pollutants, EE notices, and terms. NE Disclosure Proj.
		mills/kWh		2.5	TBD	TBD	TBD		
% rev.		2.6	TBD	TBD	TBD				
admin.		contract	TBD	TBD					
Wisconsin	Act 9 of 1999 passed Sept. 99 includes elec. Reliability provisions which designate the WI Dept. of Admin. as the state agency to design and implement public benefit programs. Industry restructuring has not yet been addressed. Totals in the table reflect best current estimate of funding levels when fully in place.	Details of SBC Funding					Renewables	Generation	
		R&D	EE	LI	RE	Total	Portfolio Standard	Disclosure	
		million \$	1.5	78.3	64.2	3.8	147.8	Requires 0.5% by 12/31/2001. Increases biennially to 2.2% by 12/31/2011.	Not addressed.
		mills/kWh	0.0	1.5	1.3	0.1	2.9		
% rev.	0.05	2.9	2.4	0.15	5.5				
admin.	DOA	DOA	DOA	DOA					

TBD = to be decided

SBC funding amounts provided in the table are average annual funding levels.

METHODOLOGY FOR DEVELOPING THE STATE SUMMARIES

To compile the state summary information contained in this report, a review was conducted of the electric restructuring/public benefits legislation and regulatory orders in each of the 25 states included in the study. This information was acquired from Internet websites and through telephone interviews with state officials. This information was collected between July 1999 and February 2000.

Two state-by-state electric restructuring websites were examined. The C.H. Guernsey website on "Electric Restructuring Links" (<http://www.chguernsey.com/frame-index1c.html>) and the Iowa Energy Center's "State-by-State Summaries of Changes in the Electric Utilities Structure" (http://www.energy.iastate.edu/restructuring/nation/state_info.htm) were reviewed for activity that had occurred since July 1998. New activity regarding legislation or public benefits programs was combined with information in the original 50-state reports. In addition to these two websites, the website for each state's utility commission was reviewed. New activity was identified and incorporated into each state's summary.

Information obtained from the Internet was supplemented with data obtained from telephone interviews conducted with contacts from each state. Names of state contacts were acquired from the public utilities commissions' (PUC) websites and the list of contacts from the 1998 study. Although the telephone interviews were primarily designed to collect qualitative data on early implementation experience regarding the state public benefit programs,³ the interviews, when relevant, were also used to augment the data for this report.

Upon completion of the draft summaries, each state's summary was submitted to the respective state contact person for review with a request to note any mistakes or omissions. Eighteen of the states returned their summaries, either with an 'OK' or with (mostly minor) edits and corrections. The final summaries included in this report incorporate any edits or corrections received from the states.

A Note about Data Quality

Great care was taken in this research and in the preparation of this report to provide accurate information about each state. However, it should be recognized that this is a very complex subject and that circumstances are still evolving and changing. As a result, there is always a possibility of errors, omissions, or material becoming out-of-date. Therefore, if a higher degree of certainty is required, the reader is encouraged to contact appropriate agencies within an individual state if data confirmation, more detailed data, or updated information is desired. (Recall that part of the purpose of this project is to encourage and facilitate communication and information exchange between states.)

If a substantive error is noticed in the table or the state summaries in this report, ACEEE would appreciate receiving notification and a description of the correct information. We will make every effort to provide corrected information in any subsequent distribution of this report.

³ Volume 2 will discuss that research.

Terminology in the State Summaries

For each of the 25 states listed previously, the current status of public benefit policies and programs is summarized. Each summary contains a description of the following variables:

- *Legislative/Regulatory Status: Provides a brief description of state legislation and/or pertinent Public Utility Commission orders regarding electric restructuring in the state.*
- *SBC⁴ Scope: Lists the types of programs covered by the state's system benefits charge. As defined in this report, system benefits programs include energy efficiency, low-income, renewable energy, and/or public benefit research and development programs.*
- *SBC Funding: Defines the source and amount (when available) of funding to be spent on the state's SBC programs. (Amounts shown in Table 1 indicate average annual funding.)*
- *SBC Administration and Oversight: Describes how the state's SBC will be administered, including identifying the entities responsible for direct program administration as well as broad oversight.*
- *SBC Duration: Gives the starting and (when available) the end date for the state's SBC.*
- *Related Rules/Legislation: Provides the state's Public Utility Commission rules or legislation relevant to the SBC programs.*
- *Renewables Portfolio Standard: Describes the Renewables Portfolio Standard (RPS) in the state, if one exists. An RPS usually specifies that a required percentage of electricity generated by a supplier be based on renewable energy. Generally, the RPS is included in a state's electric restructuring legislation but not funded through the SBC.*
- *Disclosure: Describes the state's policy concerning any requirements that electricity suppliers report the fuel mix and/or fuel emissions of their electricity generation.*
- *Other Pertinent Information: Includes brief descriptions of other consumer-oriented programs that, for the most part, are not covered by the SBC, including net metering programs, consumer retail access education programs, Standard Offer Service, green pricing programs, etc.*
- *Sources: Contains a list of the legislation, orders, reports, articles, etc. used to assemble the information in the state's SBC summary.*
- *Website: Provides the state's Public Utility Commission website address.*

⁴In order to provide a consistent format, the term "SBC" is used in the summary sub-headings as a generic term to represent any charge that supports public benefit-type programs. Different states often use somewhat different terminology for their specific funding mechanisms.

STATE SUMMARIES

The remainder of this report presents the individual state-by-state summaries of public benefit policies for each of the 25 states addressed in this study, with source information following.

ARIZONA

Legislative/Regulatory Status: In December 1996 the Arizona Corporation Commission (ACC) issued Decision No. 59943 adopting rules on retail access and ordering phased-in retail competition beginning in January 1999. The rules have been through several revisions with the last modification in September 1999 (Decision No. 61969). The ACC rules are codified in the Arizona Administrative Code at AAC R14-2-1601. Under the original ACC plan, 20 percent of the system would have had retail choice by January 1999, 50 percent by January 2001, and 100 percent by January 2003. In May 1998, the ACC recommended a revision to the plan that specified January 1, 2001 as the date that retail access would be available to all customers.

On May 29, 1998, legislation (HB 2663) was signed to implement restructuring in the public power sector in Arizona (the Salt River Project is the second largest supplier in the state). The approach was similar to the ACC's decision for investor-owned utilities, with a phase in beginning January 1, 1999 and full retail access by December 31, 2000.

The ACC has been holding open meetings and facilitating settlement discussions on various details of the restructuring process. The Commission issued electric competition orders approving Arizona Public Service (APS) Company's Settlement Agreement on October 6, 1999 (Decision No. 61973) and Tucson Electric Power (TEP) Company's Settlement Agreement on November 30, 1999 (Decision No. 62103). An Amended TEP Settlement Agreement was approved on December 1, 1999.

SBC Scope: In September 1999, in Decision No. 61969, Rule 14-2-1608, the ACC instructed utilities to include an SBC charge in their restructuring plans to fund Commission-approved low-income, demand-side management, consumer education, environmental, renewable energy, long-term public benefit research and development, nuclear fuel disposal, and nuclear power plant decommissioning programs. Specific SBC-funded programs are identified in the individual utility restructuring cases. Increasingly, SBC funding by Arizona utilities has focused more on renewables programs and less on DSM programs.

SBC Funding: Cost recovery will be paid by customers through a non-bypassable charge. The actual levels of the charge are determined in individual utility restructuring cases. TEP's Amended Settlement Agreement includes an SBC in an amount to maintain its existing low-income programs (including weatherization, Life Fund, bill assistance, and rate discounts) at current levels through December 31, 2004. TEP's demand-side management and renewable programs are funded at approximately \$3 million per year while APS' demand-side management and renewable programs are funded at approximately \$6 million per year. (These figures do not include spending on low-income programs.) All of the "Affected Utilities" and distribution companies must file for review of the system benefits charge every 3 years.

SBC Administration and Oversight: The SBC is administered by the Utility Distribution Company.

SBC Duration: Permanent, until changed by Commission order.

Related Rules/Legislation: Arizona Corporation Commission Decision No. 59943, Docket No. U-0000-94-165, In the Matter of the Competition in the Provision of Electric Services throughout the State of Arizona, December 1996. Contains the rules adopted by the ACC, which provided a framework for the introduction of retail electric competition in Arizona.

Arizona Corporation Commission Decision No. 61272, Docket No. U-0000-94-165, In the Matter of the Competition in the Provision of Electric Services throughout the State of Arizona, December 1998. Adopted the “Emergency Rules” in Decision 61071 on a permanent basis. The “Emergency Rules” included Standard Offer Service, the System Benefits Charge, and the Solar Portfolio.

Arizona HB 2663, December 1998. Implemented restructuring in the public power sector in Arizona.

Arizona Corporation Commission Decision No. 61311, Docket No. U-0000-94-165, In the Matter of the Competition in the Provision of Electric Services throughout the State of Arizona, January 1999. Stayed the effectiveness of the Rules and related Decisions, and ordered the Hearing Division to begin consideration of further comment and actions in the docket.

Arizona Corporation Commission Decision No. 61634, Docket No. U-0000-94-165, In the Matter of the Competition in the Provision of Electric Services throughout the State of Arizona, April 1999. Adopted modifications to the Electric Competition Rules; eliminated the solar portfolio.

Arizona Corporation Commission Decision No. 61969, Docket No. U-0000-94-165, In the Matter of the Competition in the Provision of Electric Services throughout the State of Arizona, September 1999. Adopted further non-substantive proposed modifications.

Arizona Corporation Commission Decision No. 61973, Arizona Public Service Company’s Settlement Agreement, October 6, 1999.

Arizona Corporation Commission Decision No. 62103, Tucson Electric Power Company’s Settlement Agreement, November 30, 1999.

Arizona Administrative Code Rules, Title 14: Public Service Corporations; Corporations and Associations—Securities Regulation, Chapter 2: Arizona Corporation Commission, Fixed Utilities, Article 2: Electric Utilities and Article 16: Retail Electric Competition.

Arizona Corporation Commission, Docket No. E-00000A-99-0205, Commencing a Rulemaking for the Environmental Portfolio Standard, April 26, 2000.

Environmental Portfolio Standard: The solar portfolio established in Decision No. 59943, R14-2-1609, was proposed for elimination by the Hearing Division of the ACC on February

5, 1999. On April 8, 1999, Commissioner Carl Kunasek sent a letter to Commissioners Irvin and West with proposed modifications to the Solar Portfolio Standard and a suggestion that a hearing process be commenced. On April 14, 1999, the Commission agreed to move forward with the inquiry and on April 20, 1999, opened a docket to investigate the adoption of an Environmental Portfolio Standard (EPS) as a portion of the retail electric competition rules. Testimony was submitted in July and August 1999 and a hearing was conducted in September 1999. After attempting and failing to reach a settlement agreement concerning the EPS, parties in the case submitted briefs that were reviewed by a hearing officer. The proposed rulemaking, based in part on the hearing officer's recommendations, is expected to be signed by the Commissioners in early May. The rulemaking recommends that the utilities produce 0.2 percent of their power from renewable resources in 2001, with at least 50 percent of that from solar electric. The balance of the 0.2 percent can come from solar water heating, solar air conditioning, wind, and other environmentally friendly renewables. It is proposed that the EPS funding consist of a separate line item surcharge of approximately \$0.00085/kWh, with a maximum of \$0.35 per month for residential customers, \$13 per month for most business customers, and \$39 per month for business customers using 3 megawatts (MW) or more. The total annual EPS budget is projected to be approximately \$24 million, including Salt River Project (SRP) funding. SRP has proposed spending \$6-7 million in the first few years and increasing annual expenditures to \$12 million.

Disclosure: Arizona's rule on disclosure (R14-2-1617) specifies that utilities providing either generation service or Standard Offer Service shall, upon request, provide the composition, fuel mix characteristics, and emissions characteristics of the resource portfolio. The Director of the Utilities Division at the ACC is responsible for developing the format and reporting requirements of the consumer label. All written marketing materials targeted to Arizona customers are required to include the disclosure label.

Other Pertinent Information: Section R14-2-1606 requires that electric distribution companies act as the Provider of Last Resort in their service territories. Power purchased by an investor-owned distribution company for Standard Offer Service must be purchased from the competitive market, with at least 50 percent through a competitive bid process. Standard Offer Service is electric service available to all customers who have not selected or cannot select another provider. Companies are allowed to require deposits and advance payments to reduce their risks with Standard Offer Service.

In 1998, a Customer Education Working Group (a self-selected group composed of 27 representatives from investor-owned utilities, public power, cooperatives, energy service providers, consumer groups, and other interested parties) was assembled to prepare a recommendation to the ACC regarding customer education on retail access. Although no specific referral to customer education was made in the ACC rules at that time regarding electric utility restructuring, it was determined by the Commission in February 1998 that a working group be established to address this issue. In July 1998, the Customer Education Working Group submitted its educational suggestions to the Commission. A Customer Information Advisory Panel was established in 1999 to advise Commission Staff.

Both Arizona Public Service Company and Tucson Electric Power Company offer Green Pricing Tariffs.

Sources: ACC Decision Numbers 59943, 60977, 61272, 61311, 61634, 61969; Low Income Issues Working Group Report, July 29, 1998; Customer Education Working Group, Audience/Messages Subcommittee, Recommendations for Customer Education Plan about Retail Electric Competition, July 1998; Arizona HB 2663; Renewable Portfolio Standard, Letter Dated May 7, 1999, and Attachment A; Summary of the Hearing Division's Recommended Order on the Arizona Public Service Company Settlement Agreement, August 31, 1999; Electric Competition Rules R14-2-201 et seq. and R14-2-1601 et seq., as amended by Decision No. 61969, September 29, 1999; ACC Decision No. 61973, Arizona Public Service Company's Settlement Agreement, October 6, 1999; ACC Decision No. 62103, Tucson Electric Power Company's Settlement Agreement, November 30, 1999; Tucson Electric Power Company's Amended Settlement Agreement, December 1, 1999; ACC Docket E-00000A-99-0205, Commencing a Rulemaking for the Environmental Portfolio Standard, April 26, 2000.

Arizona Corporation Commission's Website: www.cc.state.az.us

ARKANSAS

Legislative/Regulatory Status: In April 1999, the Governor signed SB1556, The Electric Consumer Choice Act of 1999. Act 1556 provides for the initiation of a comprehensive restructuring of the electric utility industry in Arkansas by January 1, 2002 and no later than June 30, 2003. All 22 electric utilities in the state must file rates and tariffs by January 1, 2000. Arkansas Public Service Commission (PSC) Docket No 99-117-A directed the executive director of the General Staff of the Commission to develop a timeline for the docketed proceedings required by the act. Staff's "First Report and Proposed Act 1556 Timeline" was filed in June 1999. In this document, Staff identifies five tracks of activities: rulemakings, consumer education, rate and unbundling filings, stranded cost determinations, and market power analyses. Individual dockets on a number of these activities have been initiated. Each electric utility must file an application between January 1, 2001 and April 30, 2001 indicating its transition plan for retail access. A report to the Legislature on the progress of competition is due on January 15, 2001 and then biennially. Municipally owned utilities are not required to offer retail access.

SBC Scope: None.

SBC Funding: None.

SBC Administration and Oversight: None.

SBC Duration: N/A.

Related Rules/Legislation: Arkansas PSC Docket No 99-117, First Report and Proposed Act 1556 Timeline, June 1999.

Renewables Portfolio Standard: None.

Disclosure: The Act states that customers should have access to information necessary to make an informed choice of their electric provider. The PSC shall establish the content and minimum standards for the information to be disseminated by electric providers including rates and disclosure of environmental effects of the generation being supplied.

Other Pertinent Information: The Act requires that each electric provider have a Standard Offer package for its customers who have not selected an energy service provider on or after retail open access. The rates and services provided in the package must be approved by the Commission and may require competitive bidding. For at least 1 year, the rates for the Standard Offer Service must be the same as the rates for comparable services offered immediately prior to the implementation of retail access.

SB1556 specifies that the Commission was to adopt appropriate rules to insure the evaluation of the impact of competition on renewable energy development and low-income and energy efficiency programs.

Sources: Arkansas PSC Docket No 99-117-A; Arkansas PSC, Report on Restructuring the Arkansas Electric Utility Industry, October 1998; Arkansas SB 1556, The Electric Consumer Choice Act, April 1999.

Arkansas Public Service Commission's Website: www.state.ar.us/psc

CALIFORNIA

Legislative/Regulatory Status: In September 1996, the Governor signed AB 1890 into law. The law mandated that the transition to open access begin by January 1998 and cumulative rate reductions for residential and small commercial customers of at least 20 percent be in place by April 1, 2002. In May 1997, the California Public Utilities Commission, charged with implementation of retail access, chose to open access for all customers beginning January 1998. Open access was subsequently delayed until March 31, 1998 due to computer problems at the Independent System Operator (ISO) and Power Exchange in California.

SBC Scope: AB 1890 provides funding for four public interest programs: (1) cost-effective energy efficiency and conservation; (2) public interest research, development, and demonstration (RD&D) to advance science or technology not adequately provided by competitive and regulated markets; (3) California-based renewable energy resources; and (4) low-income services. Renewable resource programs are further subdivided into (1) existing technologies (divided even more into three tiers for: biomass, solar thermal, and waste tires; wind; and geothermal, small hydropower of 30 MW or less, biogas, and municipal solid waste); (2) new technologies; (3) emerging technologies; and (4) a customer-side account (to stimulate a consumer-driven market for renewable energy).

SBC Funding: AB 1890 requires that investor-owned utilities (IOUs) in California provide funding for the above programs through a non-bypassable wires charge based on usage. Publicly owned utilities (i.e., municipal utilities) are also required by AB 1890 to establish a non-bypassable wires charge to fund any or all of these four programs at not less than the lowest expenditure level of the IOUs on a percent of revenue basis. The total program cost is approximately \$500 million per year on average (about 3.0 percent of revenues or 3.0 mills/kWh). Funds are allocated as follows: energy efficiency—\$218 million per year (about 1.3 percent of revenues or 1.3 mills/kWh); renewable energy—approximately \$135 million per year (0.8 percent of revenues or 0.8 mills/kWh) (45 percent existing, 30 percent new, 10 percent emerging, 15 percent consumer-side); RD&D—\$61.8 million per year (0.4 percent of revenues or 0.4 mills/kWh); and low-income—\$81 million (0.5 percent of revenues or 0.5 mills/kWh). (Note: The above funding for energy efficiency does not include small IOUs and municipal utilities, which will be substantial [e.g., the Los Angeles Department of Water and Power has a \$20 million program]. Also, it does not include approximately \$45 million per year for natural gas energy efficiency programs or the \$700,000 that the utilities retained for annual transmission and distribution-related public interest RD&D.)

SBC Administration and Oversight: Originally, in February 1997, the California PUC established a system in which a Commission-selected California Board for Energy Efficiency (CBEE) would oversee the competitively bid energy efficiency programs (Decision 97-02-014). In this decision, the PUC argued that the main goal for providing the energy efficiency services was to establish an administrative structure that would facilitate the privatization of those services in the marketplace. It was the PUC's position that the environment of deregulation would dissuade the utilities from developing an independent industry that would directly compete with the electricity services they provide. The goal, it said, was no longer to influence utility decision-makers as the monopoly providers of electric services but to

transform the market so that customers and suppliers are making sensible energy service choices. The utilities would be allowed to bid to be administrators and/or implementers of specific programs. However, in December 1997, with the introduction of a number of CBEE-initiated safeguards against potential anti-competitive effects, the PUC agreed to allow the utilities to continue administering the energy efficiency programs and reinstated a modified shareholders incentive mechanism (Decision 97-12-103). In Decision 98-05-018, the PUC clarified that the administration and implementation of the energy efficiency programs, as directed in Decision 97-02-014, would resume January 1, 1999. In July 1998, the PUC authorized the issuance of a Request for Proposals (RFP) for energy efficiency program administrators to begin January 1, 1999 (Decision 98-07-036) but that was subsequently rescinded. With the passage of several additional decisions and resolutions (Decision 99-03-056, Decision 99-08-021, Resolution E-3578, and Resolution E-3592), the administrative authority over the energy efficiency programs was to remain with the utilities at least through 2001.

In July 1999, the Governor signed Assembly Bill 1105 (1999 Stats., Chapter 67), which instructed the CEC to prepare a report to discuss issues related to transferring the energy efficiency responsibilities set forth in AB 1890 from the PUC to the CEC after 2001. The CEC delivered a "transition plan report" and an "operational plan report" to the Legislature on December 29, 1999. No action has yet been taken to implement this conceptual plan.

On February 17, 2000, the PUC dissolved the CBEE, effective March 31, 2000. The PUC's Energy Division will assume the CBEE's energy efficiency oversight functions relating to program planning, market assessment, program evaluation, etc.

The California Energy Commission (CEC) administers the RD&D and renewable energy programs. The mission of the RD&D program, as defined in the CEC's PIER (Public Energy Interest Research) Strategic Plan, is "providing environmentally sound, safe, reliable and affordable energy services and products" as well as to "advance science and technology not adequately provided by competitive or regulated markets." The PIER Program includes a broad strategic portfolio of projects balanced across many needs, technologies, time frames, and risk levels. Other key components of the plan include establishing market connections for future RD&D guidance and disseminating learning.

The objective of the CEC's renewable energy program is to further a competitive renewables market in California. Toward that end, the renewables program provides incentives on both the supply and demand side of the market. On the supply side, production incentives are available for both new and existing renewable generation facilities. On the demand side are incentives for consumers who purchase or lease eligible electricity generating systems (i.e., photovoltaics, solar thermal electric, fuel cell technologies that use renewable fuels, and wind turbines of 10 kilowatts [kW] or less). Also on the demand side is a financial incentive for consumers who purchase qualifying renewable power from an eligible electricity retailer. Last but not least is a consumer education program.

As with the energy efficiency programs, the PUC, in Decision 97-02-014, decided against continued administration of the low-income programs by the utilities. The Commission

supported a Commission-selected Low-Income Governing Board (LIGB) to oversee the administrative process. The LIGB was directed to issue an RFP to hire an administrator of the low-income programs. As with the energy efficiency programs, the utilities were permitted to bid on the administrative position and/or on the implementation of programs. However, implementation of the low-income programs as directed in Decision 97-02-014 was postponed (Decision 97-12-103) and the utilities were advised to continue to administer the programs until December 31, 1999 (Decision 98-05-018).

On February 17, 2000, the PUC made the decision to retain the LIGB with some changes to its duties and processes. Effective April 1, the group is to be referred to as the Low-Income Advisory Board (LIAB). One of LIAB's primary responsibilities will be to advise the Commission on the standardization of program design and delivery for low-income residents across utilities.

SBC Duration: Funding levels have been established for the 4 years of 1998-2001. The Commission's authority to collect funds for the renewable energy account expires on March 31, 2002. The authority to collect monies for RD&D, energy efficiency, and low-income programs is open-ended per AB 1890. As of March 2000, legislation is being drafted to extend funding beyond 2001 for all programs.

Related Rules/Legislation: California PUC, Decision 97-02-014, Interim Opinion on Public Purpose Programs—Threshold Issues, February 5, 1997.

California Senate Bill 90, October 1997. Regards funding for renewable energy resources and R&D.

California Senate Bill 1305, October 1997. Regards disclosure of accurate, reliable, and simple to understand information on the generation attributes of the energy that retail suppliers of electricity propose to sell.

California PUC, Decision 97-08-064, 1997.

California PUC, Decision 98-07-036, Interim Opinion: Issuance of Request for Proposals to Select Energy Efficiency Administrators, July 2, 1998.

California PUC, Decision 98-04-063, 1998.

California PUC, Decision 98-05-018, 1998.

California PUC, Decision 99-03-056, March 18, 1999.

California Board for Energy Efficiency, Recommendations of the California Board for Energy Efficiency on Selected Policy, Program and Funding Changes for Program Year 2000 and 2001 Energy Efficiency Programs, California PUC Rulemaking 98-07-037, May 12, 1999.

California PUC, Decision 99-08-021, August 5, 1999.

Renewables Portfolio Standard: None.

Disclosure: Pursuant to SB 1305, the CEC composed disclosure regulations that went into effect October 21, 1998. A “power content label” allows a consumer to compare the resource mix of their retail electricity supplier to that of the California Power Mix (the resource mix of California’s net system power). The label must be included in promotional materials and quarterly updates sent to customers. If a retail mix differs from the California Power Mix, the retail supplier must substantiate its claims in an independent verification process at the end of the year.

Other Pertinent Information: AB 1890 mandated a comprehensive consumer education program regarding retail access. The education program, approved in Decision 97-08-064, included a toll-free number, a “Knowledge is Power” website, work with community-based organizations, and printed materials. The Electric Education Call Center serves residential and business customers in 11 languages. The PUC Consumer Services Division is expected to take over the call center in November 2000. The Electric Education Trust had an authorized budget of \$13 million.

Sources: Funding and Administering Public Interest Energy Efficiency Programs, August 1996; California AB 1890, September 1996; Memorandum from Mike DeAngelis, CEC, to the Association of State Energy Research and Technology Transfer Institutions, January 1997; California PUC Decision 97-02-014, February 5, 1997; Policy Report on AB 1890 Renewables Funding, March 1997; Strategic Plan for Implementing the RD&D Provisions of AB 1890, June 1997; California SB 90, October 1997; California SB 1305, October 1997; California PUC Decision 97-08-064, 1997; Senate Bill 1305: Electricity Source Disclosure Program, from the CEC webpage, not dated; California PUC Decision 98-05-018, 1998; California PUC Decision 98-04-063, 1998; California PUC Decision 98-07-036, 1998; California PUC Decision 99-03-056, March 18, 1999; CBEE, Recommendations of the California Board for Energy Efficiency on Selected Policy, Program, and Funding Changes for Program Year 2000 and 2001 Energy Efficiency Programs, California PUC Rulemaking 98-07-037, May 12, 1999; California PUC Decision 99-08-021, August 5, 1999; Memorandum from Douglas Long and Gurbux Kahlon, California PUC, to the California PUC Commissioners, January 5, 2000.

California Public Utilities Commission’s Website: www.cpuc.ca.gov

California Energy Commission’s Website: www.energy.ca.gov

CONNECTICUT

Legislative/Regulatory Status: On April 29, 1992, the Governor signed Substitute Public Act 98-28 (House Bill No. 5005) to implement restructuring in Connecticut. The Act allows customers in “distressed municipalities” to have choice on January 1, 2000, with all customers in the state eligible for retail access on July 1, 2000.

SBC Scope: The legislation (PA 98-28) includes specific line charges for renewable energy, energy efficiency, and low-income programs. Funding is also provided for R&D. In addition, the Act requires a renewable resource portfolio as described below.

SBC Funding: PA 98-28 includes a 3.0 mills/kWh charge to support energy conservation and load management as well as a renewable energy investment charge of 0.5 mills/kWh, increasing to 0.75 mills/kWh on July 1, 2002 and 1.0 mill/kWh on July 1, 2004. Low-income programs (bill payment assistance) are to be funded out of an additional system benefits charge (which includes other elements such as public education, decommissioning charges, etc.) to be established by the Connecticut Department of Public Utility Control (DPUC).

SBC Administration and Oversight: Energy efficiency will be administered by the distribution utilities, with a management board appointed by the DPUC to provide oversight. The board will help the distribution companies prepare a comprehensive energy efficiency/market transformation plan that must be approved by the DPUC. It is required that all programs included in the plan pass a benefit-cost test. Each electric distribution company will keep a separate Energy Conservation and Load Management Fund. Disbursements from the Fund, for projects included in a plan, must be approved by the DPUC. Beginning on or before January 31, 2001, annual reports to the legislature are required. These reports are to include expenditures, fund balances, and benefit-cost analyses for the previous year’s programs. Administrative costs are not to exceed 5 percent of the total revenue collected. Low-income programs will also be overseen by the DPUC.

Renewable energy will be administered by the quasi-public agency Connecticut Innovations, Incorporated. Renewables charges are to be deposited into the Renewable Energy Investment Fund by the distribution companies. The chairperson of the board of directors of Connecticut Innovations, Incorporated will assemble an advisory group to assist in the management of the Fund and the development of a comprehensive renewables plan for the state. The Fund will cover a variety of investments (grants, contracts, R&D, training, installation of renewable technologies, etc.). The advisory board is required to write an annual report for the legislature describing Fund activities and expenditures.

SBC Duration: Payment of the public benefit, renewables, and conservation and load management charges began January 1, 2000. Currently there is no end date for the charges.

Related Rules/Legislation: None.

Renewables Portfolio Standard: A two-tiered system is put in place. For “Class I” renewables (solar, wind, sustainable biomass, landfill gas, and fuel cells), the level starts at

0.5 percent in 2000 and increases to 6.0 percent by 2009. For “Class II” renewables (hydro, other biomass, and trash to energy) the level starts at 5.5 percent in 2000 and increases to 7 percent by 2009. Electric suppliers can satisfy these requirements by participating in a state-approved renewable energy trading program. Suppliers that provide all of their energy through Class II renewables do not have to meet the requirements. Per PA 99-225, electric suppliers can defer meeting the renewables RPS standard for 2 years if approved by the DPUC.

Disclosure: Electric suppliers must provide customers with written information on rates, resource mix, and emissions.

Other Pertinent Information: Distribution companies must provide net metering. Upon request by a customer, the distribution company must provide the interconnection, the equipment to meter the customer’s consumption and production, and calculate the net difference.

The Act advises the DPUC to develop a public benefits fee for self-generation facilities that began operation on or after July 1, 1998. The department is also to devise a mechanism to identify self-generation facilities and to enforce payment of the fee. Some types of self-generation facilities are exempt from paying the exit fee such as facilities exclusively serving one to four residential units. The Department has determined that no exit fees are needed at this time.

The DPUC was also given responsibility in the Act to hire a contractor to aid the Department in the development and implementation of a broad consumer education program regarding retail access. The Consumer Outreach Plan was presented to the General Assembly in December 1998. The education program currently underway by the Department includes a multitude of approaches including an electric restructuring website for customers, cable TV, radio and newspaper ads, bill inserts, speaking engagements, and legislator education.

A tax exemption was approved in PA 98-28 for solar energy electricity generating systems installed in single family dwellings or multi-family dwellings with two to four units. The systems must be installed prior to October 1, 2006 and the exemption is applicable for the first 15 years following installation.

PA 98-28 guarantees a “Standard Offer” electricity service option with a 10 percent rate reduction from December 31, 1996 base rates. Each distribution company must make this Standard Offer Service available to customers who either choose this option or have not selected an electric supplier. The Standard Offer service began January 1, 2000 and will continue through January 1, 2004.

The Act also requires the Connecticut Department of Environmental Protection to establish air quality performance standards for generating facilities located in North America that supply power to end-users in the state.

Sources: Electric Power Alert, June 4, 1997; Connecticut PA 98-28, An Act Concerning Electric Restructuring, April 1998; Kevin E. McCarthy, Principal Analyst, Office of Legislative Research, Summary of Electric Restructuring Legislation, not dated; DPUC, Consumer Education Outreach Program (CEOP), December 1998.

Connecticut Department of Public Utility Control's Website: www.state.ct.us/dpuc

DELAWARE

Legislative/Regulatory Status: Delaware's restructuring legislation, The Electric Utility Restructuring Act of 1999 (HB 10), was signed into law in March 1999. The date that retail access will be available varies by utility and customer class. Conectiv (formerly Delmarva Power & Light) customers with a peak monthly load of 1,000 kW or more can choose their own suppliers effective October 1, 1999. Conectiv customers with a peak monthly load of 300 kW or more can choose their own suppliers effective January 15, 2000. All other Conectiv customers, including residential customers, can choose their own suppliers effective October 1, 2000, 18 months after enactment. Delaware Electric Cooperative (DEC) customers with a peak monthly load of 1,000 kW or more can choose their own suppliers effective April 1, 2000. DEC customers with a peak monthly load of 300 kW or more can choose their own suppliers effective July 1, 2000. All other DEC customers, including residential customers, can choose their own suppliers effective April 1, 2001, 24 months after enactment. Municipalities are on their own schedule with a reciprocity agreement.

Conectiv filed its restructuring plan on April 15, 1999 (Delaware PSC Docket No. 99-163). The Commission issued Order No. 5206 approving Conectiv's restructuring plan on August 31, 1999. DEC filed its restructuring plan on September 15, 1999 (Delaware PSC Docket No. 99-457). The Commission issued Order No. 5366 approving DEC's restructuring plan February 28, 2000.

There will be a rate freeze for Conectiv non-residential customers at the September 30, 1999 level during its transition period (October 1, 1999 through September 30, 2002). Conectiv's residential customers' rates will be frozen at the September 30, 1999 level during its transition period (October 1, 1999 through September 30, 2003) following a 7.5 percent decrease in rates. All DEC customers will experience a rate freeze at the September 30, 1999 level during its transition period (April 1, 2000 through March 31, 2005).

SBC Scope: Delaware's public benefit programs include low-income weatherization and fuel assistance programs and energy efficiency programs within Conectiv's service territory. Also included is a consumer education program intended to provide educational materials regarding retail competition to customers throughout Delaware.

SBC Funding: The low-income and environmental incentive funds are financed by Conectiv customers at the meter. Effective October 1, 1999, the Commission shall reassign to the separate transmission and distribution rates of each rate class from the total base rates 0.095 mills/kWh (approximately \$800,000 annually) to be deposited each month by Conectiv into a low-income fund. Approximately two-thirds of the funding will be spent on low-income weatherization with the remaining one-third going towards energy bill payment assistance.

Effective October 1, 1999, the Commission shall reassign to the separate transmission and distribution rates of each rate class from the total base rates 0.178 mills/kWh (approximately \$1.5 million annually) to be deposited each month by Conectiv into an environmental incentive fund (for energy efficiency programs).

The retail competition consumer education program will be designed and implemented by the Consumer Education Working Group. This working group will be composed of representatives of the Commission, electric utilities, electric suppliers, the Division of the Public Advocate, and other interested parties. The executive director of the Commission is appointed chairperson of the working group. The Commission may direct the payment of up to a total of \$250,000 from Conectiv and DEC (apportioned on the 1998 Delaware retail kilowatt-hour sales of each entity) to fund the program.

SBC Administration and Oversight: Conectiv's low-income fund shall be administered by the Department of Health and Social Service's Division of State Service Centers (which currently administers similar federally funded programs). Conectiv's environmental incentive fund shall be established and administered by the Delaware Economic Development Office, in consultation with the Division of the Public Advocate.

SBC Duration: Funding for the programs begins October 1, 1999. Currently there is no end date; HB 10 does not sunset.

Related Rules/Legislation: HB 10 (SA 2). An amendment to HB 10 that increased the environmental fund from approximately \$800,000 to \$1.5 million per year.

Delaware PSC Docket No. 99-156, In the Matter of Establishing a Working Group Under 26 Del. C. 1014 (c) to Design and Implement a Consumer Education Program.

Delaware PSC Docket No. 99-163, In the Matter of the Review of a Retail Restructuring Plan Filed by Delmarva Power & Light Company.

Delaware PSC Docket No. 99-457, In the Matter of the Review of a Retail Restructuring Plan Filed by Delaware Electric Cooperative.

Renewables Portfolio Standard: None.

Disclosure: None.

Other Pertinent Information: Conectiv will be the default supplier during its transition period and after that the Commission will designate the default supplier. DEC will be the default supplier during and after its transition period (April 1, 2000 through March 31, 2005).

Sources: Delaware HB 10, The Electric Utility Restructuring Act of 1999, March 1999; Summary of House Bill 10, from the Delaware PSC's webpage, not dated; HB 10 (SA 2); Delaware PSC Docket Numbers 99-156, 99-163, and 99-457.

Delaware Public Service Commission's Website: www.state.de.us/delpsc

ILLINOIS

Legislative/Regulatory Status: In December 1997, the Governor signed Public Act 90-561 (HB 362), establishing a deregulation plan for Illinois. Retail choice has been phased in starting in October 1999 for large industrial and commercial customers. Residential customers should be permitted to choose on May 1, 2002. Electric co-ops and municipal systems may elect to enter the competitive marketplace, but they are not required to participate. The Illinois Commerce Commission (ICC) has six rulemakings underway to address implementation of the restructuring law. The January 2000 ICC Staff report assessing 3 months of electric competition in Illinois states that as of December 1999, only Commonwealth Edison Company (ComEd) and Illinois Power customers have switched to alternative suppliers. The report indicates that in the first 3 months of open access in Illinois, 4,682 ComEd customers switched to an alternative service. This represents approximately 6.7 percent of all eligible commercial customers and 15.8 percent of all eligible industrial customers. At the time the report was written, 13 suppliers were authorized to sell power and energy to Illinois retail customers.

SBC Scope: PA 90-561 establishes funding for renewable energy, energy efficiency, and low-income programs. A Trust Fund is established for each program. R&D is not specifically addressed, but it is implied as part of the renewable energy funding that would be given in the form of “grants, loans and other incentives to foster investment in, and the development of renewable energy resources.” Renewable energy resources include energy from wind, solar thermal energy, photovoltaic cells and panels, dedicated crops grown for energy production, biomass, hydropower (if it does not involve new construction or significant expansion of hydropower dams), and other alternative sources of environmentally preferable energy. The Energy Efficiency Program is to be directed at residential consumers, especially those with low incomes, and would fund programs like lighting retrofits, window retrofits, insulation, and appliance retrofits.

SBC Funding: PA 90-561 allocates a total of approximately \$83 million per year (about 0.87 percent of revenues or 0.67 mills/kWh). Funds will be collected using multiple specific non-bypassable system benefits charges. A charge of \$0.05 per month for residential customers, \$0.50 per month for non-residential, and \$37.50 per month for customers using at least 10 MW of power will be equally split between the Renewable Energy Trust Fund and the Coal Technology Development Assistance Fund. Resultant funding for renewable energy (including charges on gas bills) will be approximately \$4-5 million per year (equivalent to about 0.05 percent of revenues or 0.04 mills/kWh). Energy efficiency is funded with \$3 million per year (about 0.03 percent of revenues or 0.03 mills/kWh) contributed by electric suppliers and utilities. Each entity's contribution is based on the number of kilowatt-hours sold in the year. The Low-Income Energy Assistance Fund will be supported at \$75 million per year (about 0.8 percent of revenues or 0.6 mills/kWh) using a charge of \$0.40 per month for residential customers, \$4.00 per month for commercial customers, and \$300.00 per month for customers above 10 MW in demand. The money will be used for payments to eligible electric or gas utilities, municipalities, and electric cooperatives for provision of weatherization services. There have been discussions and legislation considered to increase the funding for energy efficiency programs, but no formal action has resulted to date.

SBC Administration and Oversight: Illinois' restructuring Act directs the assembly of a Policy Advisory Council within the Department of Commerce and Community Affairs (the Department). The Policy Advisory Council is to be made up of the director of the Department, the director of Department of Natural Resources, the secretary of Human Resources, the chair of the ICC, nine people appointed by the Governor (three low-income customers or representatives from organizations representing low-income customers, three from public utilities, and three from local agencies), and six people appointed by the director of the Department. Among other responsibilities, the Policy Advisory Council is to ensure effective, efficient, and coordinated program development and implementation; assist in the development and administration of the rules promulgated as a result of the act; and facilitate and coordinate program data collection.

The Department is responsible for administering the renewable energy, energy efficiency, and low-income funds. The Department is in charge of establishing eligibility criteria for grants, loans, and other incentives for the Renewable Energy Resource Program, and accepting applications and granting funding for the program. On a monthly basis, electric suppliers and utilities remit collected charges to the Department for deposit into the Renewable Energy Resources Trust Fund. The Department is responsible for issuing grants, loans, and other incentives to foster the development of renewable energy resources in the state. The Department will also be in charge of establishing the criteria for the Energy Efficiency Program. Contributions for the Energy Efficiency Program shall be remitted to the Department each year and placed in the Energy Efficiency Trust Fund. The Department will disburse funds to residential customers to fund projects that promote energy efficiency in the state. In addition, the Department is in charge of collecting moneys from electric suppliers and utilities for the Low-Income Energy Assistance Program. Each month, the Department is to deposit collected moneys into the Low-Income Energy Assistance Fund. The Department will disburse funds for the low-income program, targeting customers with the lowest income and highest utility bills.

PA 90-561 also mandates the assembly of an Energy Assistance Program Design Group to design a low-income energy assistance program for the period beginning January 1, 2003. This group is made up of representatives from the ICC; the Department of Natural Resources; electric, gas and municipal utilities; electric cooperatives; low-income customers; local agencies; and residential, commercial and industrial customers. On or before January 1, 2002, this group is to provide a report including recommendations to the General Assembly regarding the existing low-income program and the cost of any suggested changes, appropriate measures to encourage energy conservation, and changes to existing legislation.

SBC Duration: The provisions are automatically repealed in 10 years after the effective date of PA 90-561, unless renewed by an Act of the General Assembly.

Related Rules/Legislation: Illinois Commerce Commission Order No. 98-0194, On Its Own Motion, Implementation of Section 16-127 of the Public Utilities Act, October 1998.

83 Illinois Administrative Code 421, December 1998. Implementing Section 16-127 of the Public Utilities Act.

Illinois SB 24, An Act to Encourage the Development of Cogeneration and Self-Generation of Electricity, June 1999.

Renewables Portfolio Standard: None.

Disclosure: 83 Illinois Administrative Code 421, implementing Section 16-127 of the Public Utilities Act, and ICC Order ICC 98-0194 require utilities and energy retailers to report generation mix and emissions information on customers' bills on a quarterly basis and require the ICC to post that information on its website. Emissions data is to be provided in table format indicating the amounts of carbon dioxide, nitrogen oxides, and sulfur dioxide emissions and high-level and low-level nuclear waste.

Other Pertinent Information: The Consumer Education Working Group has developed a brochure, bill insert, videotape, and website to educate consumers on retail access in Illinois. The January 2000 ICC staff report states that discussion with both large and small customers suggest that many people are still confused about their electric options. In response to this, the ICC is expanding its educational efforts.

The Illinois Clean Energy Community Trust was established through Illinois SB 24. This Act specifies that electric utilities, when selling or transferring to a single buyer five or more generating plants located in Illinois with dependable capacity of 5,000 MW or more, and obtaining a sale price that exceeds 200 percent book value, must make a written commitment to invest money. This investment must be outside the corporate limits of any municipality with one million or more inhabitants within such electric utility's service area and must focus on projects, programs, and improvements within its service area relating to transmission and distribution. ComEd, for example, was ordered to invest an additional \$250 million into the Illinois Clean Energy Community Trust. Funded projects should be related to infrastructure expansion, repair and replacement, capital investments, operations and maintenance, and vegetation management. In addition, these electric utilities are authorized to establish an Illinois Clean Energy Community Trust or foundation for the purposes of providing financial support to public or private entities within Illinois for programs and projects that benefit the public by improving energy efficiency, developing renewable energy resources, supporting other energy related projects that improve the state's environmental quality, and supporting projects and programs intended to preserve or enhance the natural habitats and wildlife areas of the state. The trust is to be governed by six voting trustees.

All utilities have agreed to provide default service.

Sources: ICC Order No. 98-0194, On Its Own Motion, Implementation of Section 16-127 of the Public Utilities Act, October 1998; 83 Illinois Administrative Code 421, Implementing Section 16-127 of the Public Utilities Act, December 1998; Illinois SB 24, An Act to Encourage the Development of Cogeneration and Self-Generation of Electricity, June 1999; Assessment of Competition in the Illinois Electric Industry Three Months Following the Initiation of Restructuring, Illinois Commerce Commission, January 2000.

Illinois Commerce Commission's Website: www.icc.state.il.us

MAINE

Legislative/Regulatory Status: The Governor signed LD 1804, The Act to Restructure the State's Electric Industry, in May 1997. Retail access for all customers will begin March 2000. Orders have been issued approving the divestiture plans for the three major investor-owned utilities in Maine: Central Maine Power Company, Bangor Hydro-Electric Company, and Maine Public Service Company.

SBC Scope: Funding is provided for low-income and energy efficiency programs. In September 1999, the Commission approved the rules for the Energy Conservation Program. The rules were amended and enacted into law (LD 790, LD 1398) in October 1999.

SBC Funding: Funding for the low-income and energy efficiency programs is provided through the rates charged to end-users by the transmission and distribution utilities. As required by LD 1804, the funding level for the conservation programs is comparable to the funding level for similar programs in place in 1999. Energy efficiency program expenditures for each utility will be a minimum of 0.5 percent of its total transmission and distribution revenues. However, the Commission can establish higher spending levels up to 0.15 cents/kWh. The amount of additional funding for low-income programs will also be funded at current levels, which are approximately \$5 million per year (0.5 percent of revenues or 0.5 mills/kWh).

SBC Administration and Oversight: The transmission and distribution utilities will implement the low-income and energy efficiency programs through service providers selected using a competitive bid process. The State Planning Office has been directed to design and monitor the programs.

SBC Duration: The law states that the commission shall "regularly review the amount of funding needed." LD 1398 defines the Conservation Program Fund as nonlapsing.

Related Rules/Legislation: Chapter 302, Consumer Education Program, Electric Industry Restructuring, Maine Public Utilities Commission, June 1998 (and order adopting: Maine PUC Docket No. 97-583).

Chapter 380, Energy Conservation Programs by Electric Transmission and Distribution Utilities, Maine Public Utilities Commission, September 1998 (and order adopting: Maine PUC Docket No. 99-456, and Maine legislation: LD 790 amended by LD 1398).

Chapter 312, Voluntary Renewable Resource Research and Development Fund, Maine Public Utilities Commission, December 1998 (and order adopting: Maine PUC Docket No. 98-620).

Chapter 313, Customer Net Energy Billing, Maine Public Utilities Commission, December 1998 (and order adopting: Maine PUC Docket No. 98-621).

Chapter 306, Uniform Information Disclosure and Informational Filing Requirements, Maine Public Utilities Commission, June 1999 (and order adopting: Maine PUC Docket No. 98-708).

Chapter 311, Renewable Resource Portfolio Requirement, Maine Public Utilities Commission, June 1999 (and order adopting: Maine PUC Docket No. 98-619, and Maine legislation: LD 767 amended by LD 2154).

Renewables Portfolio Standard: In June 1999, the PUC issued Docket No. 98-619 approving rules for the RPS as required by LD 1804. The Maine Legislature signed the order into law as LD 767 and later amended it in LD 2154. A 30 percent renewables supply portfolio is required to sell retail electricity in the state. Renewables can include hydro, biomass, co-generation, solid waste, geothermal, wind, solar, tidal, and fuel cells. Maine possesses a significant quantity of indigenous hydro and biomass. Facility size is limited to 100 MW and below. Each competitive provider must submit an annual report on or before May 1 of each year. The Commission intentionally did not include a mechanism for tradable credits in the rules.

Disclosure: Generation mix and emissions disclosure are required. The information disclosure label must include average price information, price variability information, a toll-free telephone number for customer service and complaints, the label reporting period, and fuel and emissions characteristics associated with the competitive electricity provider's resource portfolio. The resource portfolio consists of the generating resources that the electricity provider used to meet its load obligations in New England. Emissions characteristics for at least carbon dioxide, nitrogen oxides, and sulfur dioxide must be separately identified. It is mandatory that electricity providers present the label to customers prior to the initiation of service. Customers should be provided the label information at least on a quarterly basis and the information should always be available upon request.

Other Pertinent Information: LD 1804 required utilities to provide consumers with an option to make voluntary contributions to support renewables-related R&D. The PUC issued Docket No. 98-620 in December 1998 specifying that transmission and distribution utilities must provide a check-off option (\$1, \$5, \$10, "other") for monthly contributions on either customer bills or response cards. The R&D contribution would be added to the customer's bill each month and transferred to the Commission from the utility on a monthly basis. The State Planning Office is responsible for distributing the funds to the University of Maine, Maine Maritime Academy, or Maine Technical College through a grant proposal system.

The law also required the Commission to administer a bid process to select a default standard-offer service provider for each transmission and distribution utility's service territory. By December 1, 1999, the Commission should select a standard-offer service provider(s) for each service territory. Standard-offer service must be available until March 1, 2005, at which time its need will be re-evaluated.

LD 1804 required the PUC to organize an advisory board to guide the development of a consumer retail access education program with recommendations on the appropriate amount

and source of funding. In Docket No. 97-583, the Maine Commission approved the rules for the Consumer Education Program. The program was given approval for funding up to \$1.6 million. The funding for the Consumer Education Program will be paid for by the transmission and distribution utilities through a special assessment based on a proportion of the utilities' gross revenues from regulated services.

In December 1998, the PUC issued Docket No. 98-621 establishing the requirements for net energy billing after the introduction of retail competition. After February 29, 2000, transmission and distribution utilities are required to offer net energy billing to customers that use renewable fuel for their own electricity from a facility with an installed capacity of 100 kW or less.

Sources: LD 1804, An Act to Restructure the States' Electric Industry, May 1997; Summary—Electric Restructuring in Maine, 35-A MRSA, Chapter 32, As Amended (LD 1804), from the Maine PUC's website, not dated; Maine PUC, Report on the Implementation of P.L. 1997, Ch. 316, An Act to Restructure the State's Electric Industry, 1997; Maine PUC Docket No. 97-877, Market Power Study, Final Report; Maine PUC News Release, Recommendations to the Legislature on Restructure of the Electric Utility Industry, December 31, 1997; Docket No. 97-523, Part II, Order Approving Central Maine Power Company's Divestiture Plan, January 14, 1998; Docket 97-670, Order Approving Maine Public Service Company's Divestiture Plan, February 20, 1998; Docket No. 98-114, Order Approving Bangor Hydro-Electric Company's Divestiture Plan, June 17, 1998; Maine PUC, Chapter 302, Consumer Education Program, Electric Industry Restructuring, June 1998 (and the order adopting: Maine PUC Docket No. 97-583); Maine PUC, Chapter 380, Energy Conservation Programs by Electric Transmission and Distribution Utilities, September 1998 (and the order adopting: Maine PUC Docket No. 99-450); Maine PUC, Chapter 312, Voluntary Renewable Resource Research and Development Fund, December 1998 (and the order adopting: Maine PUC Docket No. 98-620); Maine PUC, Chapter 313, Customer Net Energy Billing, December 1998 (and the order adopting: Maine PUC Docket No. 98-621); LD 790, Resolve, Regarding Legislative Review of Chapter 330: Energy Conservation Programs by Electric Transmission and Distribution Utilities, a Major Substantive Rule of the Public Utilities Commission, May 20, 1999; LD 767, Resolve, Regarding Legislative Review of Chapter 311: Renewable Resource Portfolio Requirement, A Major Substantive Rule of the Public Utilities Commission, May 24, 1999; LD 1398, An Act to Secure Environmental and Economic Benefits from Electric Utility Restructuring, May 26, 1999; LD 2154, An Act to Amend the Electric Industry Restructuring Laws, June 1999; Maine PUC, Chapter 306, Uniform Information Disclosure and Informational Filing Requirements, June 1999 (and the order adopting: Maine PUC Docket No. 98-708); Maine PUC, Chapter 311, Renewable Resource Portfolio Requirement, June 1999 (and the order adopting: Maine PUC Docket No. 98-619).

Maine Public Utilities Commission's website: www.state.me.us/mpuc

MARYLAND

Legislative/Regulatory Status: In July 1999, the Governor signed SB 300, the Electric Customer Choice and Competition Act of 1999. The Act requires that one-third of the residential customers in the state must have the ability to choose their electric supplier by July 1, 2000. Under the act, all customers of investor-owned utilities will have choice available to them no later than July 1, 2002. Customers of Maryland's electric cooperatives (under a separate schedule adopted by the PSC) will have the right to choose suppliers by July 1, 2003.

SBC Scope: An SBC would cover energy efficiency, renewable energy resources, and consumer education programs. A separate charge will fund the Universal Service Program, that includes bill assistance, weatherization, and arrearage retirement for charges incurred prior to the implementation of retail access. Customers with incomes at or below 150 percent of the federal poverty level are eligible to participate in the universal service programs.

SBC Funding: On or before February 1, 2001, after reviewing the existing programs, the Commission, in consultation with the Maryland Energy Administration, shall report to the General Assembly on the status of programs and services to encourage energy efficiency and provide a recommendation on the appropriate funding level for an SBC for energy efficiency programs.

In the interim, two of the state's four electric utilities have signed restructuring settlement agreements that include energy efficiency and renewable energy funding for residential programs, in the amount of 1 mill/kWh (charged to residential customer class only).

The Universal Service Program will be funded at \$34 million per year for 3 years after the retail access implementation date. Subject to the approval of the General Assembly, the Commission will recommend the annual level of funding after the first 3 years. The Act states that the Commission may not assess the universal service surcharge on a per kilowatt-hour basis. The revenues will be collected by the comptroller and put into the Universal Service Program Fund.

SBC Administration and Oversight: Subject to review and approval by the Commission, each electric company will develop and implement its own energy efficiency programs. If the Commission deems that certain programs are particularly effective, it will require companies to establish those programs.

The Department of Human Resources (DHR) will administer the universal service programs through the Maryland Energy Assistance Program with oversight by the Commission. With input from a panel of interested parties, DHR may contract with a Maryland corporation to help administer the universal service programs.

SBC Duration: SB 300 terminates the SBC on June 30, 2005. Funding for the Universal Service Fund is nonlapsing.

Related Rules/Legislation: Maryland PSC Staff Report, A Framework for Customer Choice and the Future Regulation of Electric Services in Maryland, Case No. 8738, May 30, 1997.

Renewables Portfolio Standard: According to the Act, on or before February 1, 2000, the Commission, in consultation with the Maryland Energy Administration, shall report to the Governor and General Assembly on the feasibility of requiring a renewables portfolio standard, including the feasibility and structure of a two-tiered standard and the estimated costs and benefits of establishing this requirement. Renewable energy includes solar, wind, tidal, geothermal, biomass, hydro, digester gas, and waste to energy systems. (As of the end of March, 2000, this report was still under preparation.)

Disclosure: The Commission requires the electric companies and suppliers to disclose, every 6 months, information regarding the fuel mix and emissions of the electricity purchased by the customer.

Other Pertinent Information: The Act requires that electric companies in the state look at the impact of retail access on generation and emissions levels. One year after the implementation of retail access, the study will be submitted to the Department of the Environment and the Commission. If emissions levels increase after restructuring, consideration will be given to establishing an air quality surcharge.

SB 300 mandates that the Commission evaluate annually the long-range plans of Maryland electric companies to meet the electric needs of the state. This includes the evaluation of the cost-effectiveness of the companies' investments in energy efficiency.

All electric companies must provide a Standard Offer Service to residential customers until July 1, 2004 or beyond, depending on the individual utility settlement. At that point, the PSC will have developed procedures for the selection of a Standard Offer Service provider. Standard Offer Service is electric service available to all customers who have not selected or cannot select another provider.

A multi-party consumer education working group submitted a draft of a comprehensive consumer education program for consumers regarding retail access to the Commission in November 1999. The plan was approved by the Commission and a consultant was engaged to carry out the plan. Rollout of the statewide education campaign is planned for early April 2000.

Net metering is allowed under state law with interconnection standards based on UL and NEC standards only for rooftop PV.

Sources: Maryland PSC Staff Report, A Framework for Customer Choice and the Future Regulation of Electric Services in Maryland, Case No. 8738, May 30, 1997; Maryland SB 300, July 1999.

Maryland Public Service Commission's Website: www.psc.state.md.us/psc

MASSACHUSETTS

Legislative/Regulatory Status: In December 1996, the Department of Public Utilities (DPU) issued Order 96-100, which contained model rules for electric utility restructuring. The Order recommended full retail access by January 1998. In November 1997, comprehensive restructuring legislation was signed into law (General Law c. 164), bringing retail access to all customers beginning March 1, 1998. The DPU was renamed the Department of Telecommunications and Energy (DTE), and given new responsibilities regarding many aspects of the restructured utility industry.

SBC Scope: Energy efficiency, low-income, and renewable energy programs are funded under the legislation using a non-bypassable wires charge.

SBC Funding: Under the legislation, funding for energy efficiency is set at 3.3 mills/kWh for 1998, ramping down to 2.5 mills/kWh in 2002. Low-income programs are to be funded out of the energy efficiency monies at no less than 0.25 mills/kWh and no less than 20 percent of residential DSM spending. Each year, the Division of Energy Resources (DOER) in the Department of Consumer Affairs will file a report with a proposed funding level for the energy efficiency and low-income programs. The DTE will review the report and approve energy efficiency expenditures if the programs were cost-effective.

Renewable energy is funded at between 0.75 and 1.25 mills/kWh each year for 1998 through 2002 (with 0.25 mills set aside for pollution control equipment on municipal solid waste [MSW] facilities). Renewables will be funded at 0.5 mills/kWh in 2003 and beyond. It is expected that over \$200 million will be collected between 1998 and 2002. A separate trust, called the Massachusetts Renewable Energy Trust Fund, was established for all funds collected for renewable energy projects. The constitutionality of this fund was challenged in March 1998 because of the exclusion of municipal utilities from deregulation. The Shea suit, as it is known, blocked the use of the majority of the funds for the past two years. On May 1, 2000, the funding became available when the Massachusetts Supreme Judicial Court upheld the constitutionality of the state's electric restructuring law that funds the Massachusetts Renewable Energy Trust.

SBC Administration and Oversight: The DOER will oversee the energy efficiency programs, including issues of equity among customer classes and ensuring a focus on lost opportunities and market transformation. Programs are to be administered by the distribution utilities and delivered via competitive procurement to the fullest extent practicable. The low-income efficiency and education programs will be implemented through the existing low-income weatherization and fuel assistance network. On March 1, 2001, the DOER will review the effectiveness and need for the energy efficiency and low-income programs and will determine whether it will file legislation to continue them. In addition, within 7 years, DTE is to evaluate the effect that electric restructuring, in general, has had on the affordability of electricity for people with low incomes.

Renewable energy funds will be collected by the distribution companies but then transferred to and administered by the board of directors of the Massachusetts Technology Park

Corporation, a state authority with experience managing and distributing technology funds. Monies from this fund will be used to promote the availability, use, and affordability of renewables. The renewable projects eligible for funding are varied. On or by August 15 of each year, the board, in conjunction with a governor-appointed advisory group, shall submit an expenditures and investment report to the governor and relevant legislative committees. The report will include their recommendations regarding the fund and the process of administering the funds.

SBC Duration: Funding for the energy efficiency, low-income, and renewables programs begins on March 1, 1998. The energy efficiency and low-income programs are funded for a minimum of 5 years. Currently, there is no end date for the renewable funding.

Related Rules/Legislation: Massachusetts DPU/DTE 97-65, Investigation by the Department of Telecommunications and Energy on its own Motion to Develop Model Terms and Conditions Governing the Relationship between Distribution Companies and Customers (For the Provision of Distribution Service, Standard Offer Generation Service, and Default Generation Service) and Governing the Relationship between Distribution Companies and Competitive Suppliers.

Massachusetts DTE 99-60, Investigation by the Department of Telecommunications and Energy on its own Motion into the Pricing and Procurement of Default Service Pursuant to G.L. c. 164, June 21, 1999.

Renewables Portfolio Standard: The DOER will establish a renewables portfolio standard for all retail electricity suppliers providing service to customers in the commonwealth. Renewables can include solar photovoltaic or solar thermal, wind, ocean thermal, wave, tidal, fuel cells, landfill gas, solid waste, hydro, or biomass. By December 31, 1999, the DOER must determine the current percentage of kilowatt-hour sales derived from renewables. The law requires a 1 percent incremental addition by 2003, 4 percent more by 2009, and 1 percent more per year thereafter. The increase must come from "new" renewable energy-generating sources, which is defined as a renewable energy-generating source beginning commercial operation after December 31, 1997 or an increase in generating capacity after December 31, 1997 at an existing facility.

Disclosure: The DTE is to promulgate uniform labeling regulations, including fuel mix and air emissions data. State officials are working with several groups including the New England Regional Disclosure Project to determine an effective reporting process.

Other Pertinent Information: G.L. c. 164 contains a net metering provision for which on-site generation or cogeneration facilities of 60 kW or less are eligible.

Distribution companies are required to offer a reduced rate low-income tariff to eligible customers. The utilities will be able to recover the lost revenue in a general rate case.

Each utility must offer Standard Offer and Default Generation Service. G.L. c. 164 specifies that Standard Offer Service shall be available to any customer that (1) has been with that

utility or (2) has not been a Competitive Supplier's customer since the inception of retail access. Initial rates for Standard Offer Service start at a minimum of ten percent less than 1997 average rates and increase no more than the rate of inflation. Default Generation Service shall be available to any customer that is not with a Competitive Supplier or receiving Standard Offer Service. When customers move into an area after March 1, 1998, they are given Default Generation Service until they select a utility company. The rate for Default Service should not be higher than New England's average market price for electricity.

The law included two proposed amendments to the state code that would provide tax deductions for the purchase of energy-efficient equipment or renewably generated electricity in excess of the minimum required by the RPS. The Department of Revenue was to commence a study on the implications of these amendments within 30 days of enactment of the law.

DPU 96-100 encourages a renewables plan that would share the above market cost of renewable electricity between interested consumers wishing to purchase green power and the general renewables fund paid for by a non-bypassable wires charge on all electric sales. In a retail choice pilot, over 30 percent of the nearly 5,000 participants chose a "green" supplier at an average cost premium of 16 percent.

Sources: Chapter 164 of the Acts of 1997 (General Law c. 164), An Act Relative to Restructuring the Electric Utility Industry in the Commonwealth, Regulating the Provision of Electricity and Other Services, and Promoting Enhanced Consumer Protections Therein, November 1997; Summary of the Department's Electric Industry Restructuring Rulemaking Proceedings, from the Massachusetts Department of Public Utilities' webpage, not dated; Northeast Energy Efficiency Council, Summary of Massachusetts Electric Industry Restructuring Act, December 4, 1997; DPU/DTE 96-100, Investigation by the Department of Telecommunications and Energy upon its own Motion Commencing a Notice of Inquiry/Rulemaking, Pursuant to 220 C.M.R. ss 2.00 et. Seq., Establishing the Procedures to be Followed in Electric Industry Restructuring by Electric Companies subject to G.L. c. 164, February, 1998; DPU/DTE 96-100, February 20, 1998; 220 CMR 11.00, the Department's final restructuring regulations, effective March 1, 1998.

Massachusetts Department of Public Utilities' Website: www.state.ma.us/dpu

MICHIGAN

Legislative/Regulatory Status: Electric restructuring legislation (HB 5245) was introduced in Michigan in October 1997, but was not acted upon. Since that time, several other bills have been introduced, but none have passed. In January 2000, new legislation (SB 937) was introduced and is currently under active consideration. The proposed legislation would stipulate a phase-in of customer choice. Customers representing 15 percent of each utility's annual peak load could select an alternative electric supplier by June 1, 2000, rising to 20 percent by January 1, 2001 and 100 percent by January 1, 2002.

The Michigan PSC issued a series of orders (primarily in Case No. U-11290), starting in December 1996, which establish a process for restructuring the state's two largest electric utility companies (Consumers Energy and Detroit Edison), using a phase-in approach that will result in full competition starting January 1, 2002. The utilities filed implementation plans in June 1998. The PSC's jurisdiction regarding retail access was challenged on June 29, 1999, when the Michigan Supreme Court held that the PSC lacks statutory authority to order an experimental retail wheeling program. Consumers Energy and Detroit Edison, however, decided to voluntarily implement the customer choice programs ordered by the Commission.

As part of its regulatory activities, while investigating restructuring, the PSC established public input processes, which resulted in the October 1997 publication of a staff paper on "Customer Focus Issues." That paper covers many subjects, including a Public Benefits Charge, Disclosure, Green Pricing, etc. However, no programs or policies have been developed in those areas.

SBC Scope: Neither the proposed legislation (SB 937) nor the PSC orders establish an SBC.

SBC Funding: None.

SBC Administration and Oversight: None.

SBC Duration: N/A

Related Rules/Legislation: Michigan Public Service Commission, Order No. U-11290, Commission's Own Motion (restructuring), December 20, 1996. This order scheduled public hearings on a plan to introduce competition into the state's electric utility industry. The hearings focused on the Commission Staff Report that was released December 19, 1996. The Report recommended a phased-in program of direct access based on two fundamental principles: (1) all customers should be eligible to participate in the emerging competitive market; and (2) rates should not be increased for any customers and should be decreased where possible. This is the first order in Case No. U-11290, which has continued with additional orders in 1997 through the present.

Michigan Public Service Commission, Order No. U-11290, Statewide Customer Education Program Proposal, Report filed by the Customers Have Options in Choosing Electricity (CHOICE) Advisory Council, June 3, 1999.

Renewables Portfolio Standard: None.

Disclosure: Proposed legislation (SB 937) would stipulate that all electric suppliers disclose, in a standardized format, information to customers regarding average fuel mix (oil, gas, coal, solar, hydroelectric, wind, biofuel, and biomass) and average emissions (sulfur dioxide, carbon dioxide, and nitrogen oxides) of the electricity purchased by the consumers. A regional average fuel mix and an emissions default determined by the Commission would be used if the fuel mix cannot be discerned or a claim regarding the environmental attributes of the product is not made.

Other Pertinent Information: DSM programs and integrated resource planning ceased in Michigan around 1996 in anticipation of restructuring.

Proposed legislation (SB 937) would direct the Commission to establish a funding mechanism for electric suppliers to provide education regarding retail access to their customers.

In the March 8, 1999 Order in Case No. U-11290, the Commission requested that CHOICE Advisory Council propose a competitively neutral statewide customer education program on electric restructuring. CHOICE's proposed program is described in the June 3, 1999 Order in Case No. U-11290. With an average budget of \$6.7 million per year, the comprehensive education program proposes to include a statewide media campaign, local community initiatives, and coordination with planned electric utility efforts. Included in the proposal is a toll-free telephone number and call center, a CHOICE Website, and a fulfillment center to distribute materials to those requesting information.

Proposed legislation (SB 937) would direct the establishment of the Michigan Renewables Energy Program by the PSC. This informational program would advise customers of the availability and value of using energy generated by renewables. The proposed legislation would give the PSC authority to determine the rates, terms, and conditions of customer purchased renewable energy, but does not mandate any actual renewable energy standards or funding.

Detroit Edison's Solar Currents program has installed about 55kW of PVs that customers can support for an average additional cost of \$6.50 per month per 100 kWh. Businesses can contribute to a "Solar Schools" program, where PV power is purchased on behalf of a school district, and Detroit Edison provides a solar energy curriculum. Traverse City Light & Power (a municipal utility, not regulated by the PSC) operates a 600 kW wind turbine. Customers subscribe to the green power program and pay a premium of about 20 percent. A 3-year commitment is required for residential customers, 10-year for commercial customers. About 170 customers are participating, while another 80 remain on a waiting list.

Sources: Michigan PSC Order No. U-11290, December 20, 1996; Michigan HB 5245, A Bill to Restructure the Electric Utility Industry, October 1997; Detroit Edison Implementation Plan Tariffs, June 1998; Consumers Power Implementation Plan Tariffs, June 1998; Michigan PSC Order No. U-11290, March 8, 1999; Michigan PSC Order No. U-11290,

Statewide Customer Education Program Proposal, June 3, 1999; Michigan SB 937, A Bill to Amend 1939 PA 3, January 2000.

Michigan Public Service Commission's Website: www.cis.state.mi.us/mpsc

MONTANA

Legislative/Regulatory Status: Montana was the first state in the Northwest Power Planning Council (NWPPC) to pass restructuring legislation.⁵ The Montana Utility Industry Restructuring and Consumer Choice Act (SB 390) was signed into law in May 1997. SB 390 mandated that, on or before July 1, 1998, investor-owned electric utility customers with loads greater than 1,000 kW or customers with loads greater than 300 kW per meter that aggregate to 1,000 kW or greater must have the opportunity to choose an electric supplier. Montana began offering retail access as scheduled in July 1998. All remaining investor-owned utility customers must have choice before July 1, 2002. Rural electric cooperatives have the choice of opting in or out of offering their customers choice.

SBC Scope: Montana's non-bypassable universal system benefits charge is paid by all utility customers to fund its public benefit programs. These include state-wide low-income weatherization and assistance programs, cost-effective energy efficiency programs, renewable resource projects and applications, market transformation programs, and R&D programs related to energy efficiency and renewable energy.

SBC Funding: The universal system benefits charge is assessed at the meter for each local utility system customer. SB 390 established the annual funding level for the system benefits charge at 2.4 percent of each utility's 1995 retail sales revenue, beginning January 1, 1999 through July 1, 2003.

HB 337, effective May 1999, slightly altered the SB 390 funding plan by establishing the 2.4 percent allocation of 1995 retail revenues as the initial funding level for the 1999 public benefit programs. Based on these funding levels, the Commission established rates (\$/kWh) for the utilities and the governing boards of cooperatives established rates (\$/kWh) for the cooperatives. These rates must remain in effect until July 1, 2003.⁶

Customers with an average monthly load of 1,000 kW or greater pay the lesser of \$500,000 per year or 0.9 mills/kWh minus any credits received.

Low income was the only category of programs for which the legislature specified a funding level. A minimum of 17 percent of a utility's system benefits funds is required to go towards low-income programs. For a utility to receive credit for low-income related expenditures, the activity must have taken place in Montana.

SBC Administration and Oversight: Each Montana utility choosing to offer system benefits programs were to include in their transition plan a description of the utility's proposal to provide for universal system benefits programs. In addition, investor-owned

⁵ Other states in the NWPPC include Oregon, Idaho, and Washington.

⁶ Originally, Montana SB 390 allocated 2.4 percent of 1995 retail revenues for the 1999 system benefits programs. Under SB 390, the annual funding was to be constant year to year but the rate charged to the customer would change annually. With SB 337, the annual funding for the system benefits programs changes but the customer's rate for the programs stays the same. Although both funding levels are based on 2.4 percent of the utilities' 1995 retail revenues, it was believed that HB 337 would simplify the collection of the funds.

utilities were to file their proposed program plans with the PSC for approval. Following comments from interested parties, an order was to be issued indicating an approved plan.⁷

As indicated in HB 337, at the beginning of the following year, each utility must file an annual report summarizing its universal system benefits activities for the previous year. Public utilities must submit the annual report to the Commission, the Department of Revenue, and the transition advisory committee on electric restructuring. The cooperative utilities must submit the annual report to their local governing bodies, statewide utility offices, and the transition advisory committee (made up of 8 voting legislative members and 12 nonvoting advisory members from industry, consumer groups, etc.). The statewide cooperative utility offices then submit an annual summary report of the individual cooperatives to the Department of Revenue and the transition advisory committee.

The Department of Revenue is responsible for the assessment of credits based on each utility's or large customer's annual report. Utilities and large users are allowed to credit internal programs towards funding requirements. Cooperative utilities may pool their statewide credits to satisfy their annual funding requirements. A utility at which the sale of power for end-use occurs is the utility that receives credit for the universal system benefits program's expenditure. Claimed credits are presumed to be correct unless challenged by an interested person. HB 337 required the Department of Revenue to adopt rules specifying acceptable program credits and expenditures and adopting procedures for challenged credits by September 1999.

If a utility's or large customer's credit for internal activities does not satisfy the annual funding provisions, then the utility/customer is required to make a payment to the universal system benefits fund for any difference. These funds will go towards the universal system benefits programs. The Department of Public Health and Human Services will administer the low-income energy assistance fund. The Department of Environmental Quality will administer the fund for universal system benefits programs other than low-income energy assistance.

Several of the Montana utilities are just ending their first round of programs and the utility annual reports are due to the Department of Revenue on March 1, 2000. Only after these reports are reviewed, will it be known whether the utilities will get full credit for their programs, and whether there will be any payments required to the universal system benefits fund.

The transition advisory committee reports to the governor and the legislature on the status of electricity restructuring in the state. On or before July 1, 2002, the advisory committee, in coordination with the Commission, shall conduct a reevaluation of the ongoing need for the universal system benefits programs and annual funding requirements and shall make recommendations to the 58th legislature regarding the future need for those programs.

⁷ SB 390 allowed Montana-Dakota Utilities Company to defer submitting a transition plan until July 1, 2002 but Docket No. D99.2.29 determined that the utility was still required to fulfill its legislative requirements regarding system benefits programs. Montana-Dakota Utilities Company submitted its proposed system benefits programs to the Commission for approval in August 1999.

SBC Duration: Payments of the system benefits charge for several Montana utilities began in January 1999 and will continue until July 2003, at which point their level and need will be re-evaluated.

Related Rules/Legislation: Montana PSC Docket No. D-97.7.90, 5986g, February 4, 1999, In the Matter of the Application of Montana Power Company for Approval of its Electric Utility Restructuring Transition Plan, Order Allocating Universal System Benefits Funds.

Montana PSC Docket No. D-97.7.90, 5986i, May 12, 1999, In the Matter of the Application of Montana Power Company for Approval of its Electric Utility Restructuring Transition Plan, Order on Reconsideration of the Universal System Benefits Funds.

Montana SB 406, effective May 1999. Authorizes the formation of buying cooperatives to purchase electricity for residential and small commercial customers in investor-owned distribution utility service territories in which customer choice is available.

Montana PSC Docket No. L-99.7.9-RUL, Proposed Default Supplier Licensing Rules and Disclosure and Labeling Rules.

Montana SB 409, net metering legislation, effective July 1999. Specified that distribution service providers shall allow net metering systems to be interconnected to a utility's system and register the flow of electricity in two directions. The net metering legislation is separate from the system benefits programs.

Montana PSC Docket No. D-99.2.29, August 20, 1999, In the Matter of the Public Service Commission's Investigation into Montana-Dakota Utilities Co.'s Implementation of Universal System Benefits Programs, Montana-Dakota's Application to Implement System Benefits Programs.

Renewables Portfolio Standard: None.

Disclosure: The Montana Public Service Commission currently has a rulemaking docket (Docket No. L-99.7.9-RUL) regarding Default Supplier Licensing and Disclosure and Labeling of Generation Source and Emission Information. Disclosure of price, fuel mix, and environmental impacts is currently proposed. Although disclosure is a separate issue from the system benefits programs, in Montana it appears to be moving in tandem with electric restructuring. Also in this docket, the Commission requests comments on the reasonableness of establishing a renewable portfolio standard for default supply service.

Other Pertinent Information: In November 1998, Constitutional Initiative 75 passed in Montana and required the vote of the electorate for all new taxes. Debate ensued as to whether the system benefits charge was a tax. In the end, the Public Service Commission made the legal interpretation that the system benefits charge was not a tax, and even if it was, could legally be assessed since it was passed before the ballot initiative.

Sources: Montana SB 390, The Montana Utility Industry Restructuring and Consumer Choice Act, May 1997; Montana PSC Docket No. D-97.7.90, 5986g, February 4, 1999; Montana PSC Docket No. D-97.7.90, 5986i, May 12, 1999; Montana HB 337, May 1999; Montana SB 406, May 1999; Montana SB 409, July 1999; Montana PSC Docket No. L-99.7.9-RUL; Montana PSC Docket No. D-99.2.29, August 20, 1999.

Montana Public Service Commission's Website: www.psc.state.mt.us

NEVADA

Legislative/Regulatory Status: In July 1997, Governor Bob Miller signed AB 366, the Bill that restructured Nevada's electric industry. The Bill provided for the reorganization of the Public Service Commission to form the new Public Utilities Commission. Retail access was scheduled to commence no later than December 31, 1999. With the signing of AB 438 into Nevada's state laws in July 1999, the target date for beginning retail access was deferred to March 1, 2000. Stakeholders and the PUC are working on the implementation rules that effect AB 366 and AB 438.

SBC Scope: AB 366 encourages energy efficiency, R&D programs, and the incorporation of renewable energy within the electricity supply portfolio although specific funding or programs are not mandated. What remains unclear is whether actual SBC funding mechanisms will be established to support these initiatives. These issues have not been addressed in the PUC rulemaking.

SBC Funding: Status of funding is still being decided.

SBC Administration and Oversight: Unclear.

SBC Duration: Unclear.

Related Rules/Legislation: Nevada AB 622. An Act relating to energy; creating the legislative committee on energy and regulatory affairs; requiring the committee to develop a comprehensive long-range plan for the transition to an open competitive market for the provision of electric service; requiring certain state agencies to submit certain information to the legislative committee; and providing other matters properly relating thereto, June 1997.

Nevada SB 255. An Act relating to energy; providing for net metering for certain customers of an electric utility who have installed a renewable energy system; specifying standards applicable to such systems; and providing other matters properly relating thereto, July 1997.

Nevada SB 256. An Act relating to taxation; revising the exemption from property tax assessed on property used for the production of electrical energy from solar energy; and providing other matters properly relating thereto, July 1997.

Nevada SB 438. An Act relating to utilities; providing for the appointment of hearing officers to conduct proceedings before the Public Utilities Commission of Nevada; revising the provisions governing recoverable costs; providing for the provision of basic electric services during the period of transition to a competitive market; providing for an auction of the right to provide such electric services; making various changes related to the provision of electricity in a competitive market; revising the provisions governing the statutory deadline by which customers may begin obtaining potentially competitive services; repealing provisions relating to deferred accounting; authorizing the use of the name or logo of a provider of a noncompetitive service by an affiliate of a provider of electric services or natural gas; and providing other matters properly relating thereto, July 1999.

PUC Docket No. 97-8001. Proposed regulation regarding Provider of Last Resort.

Renewable Energy Portfolio Standard: By January 2001, all sellers of electricity in Nevada must have 0.2 percent of their total kilowatt-hour sales generated by renewable resources. This would increase biennially by 0.2 percent until 1 percent is reached in 2009. Renewable energy, as defined in AB 366, includes wind, solar, geothermal, and biomass energy resources. Half of the renewable energy generated must come from solar resources. All renewable supply sources must have been constructed after July 1997 and are required to be generated within the state. The purchase of credits is acceptable. Each electric distributor is required to submit an annual report indicating the amount of renewable energy generated, purchased, sold, and/or traded in compliance with the standard. Sierra Pacific is considered to be in compliance with the RPS requirement until January 1, 2005 due to the percentage of renewable energy the company already utilizes.

Disclosure: Customer bills must contain a label that clearly shows price, price variability, and generation mix. Educational programs will be established in conjunction with information disclosure requirements to be honored by alternative sellers in an effort to render assistance to customers in the understanding of their options.

Other Pertinent Information: In 1997, a net metering law (SB 255) and a renewable energy property tax exemption law (SB 256) were signed into law. Utility companies must install meters capable of measuring electricity flow in both directions available to customers. Customers cannot be charged an extra fee for this service. Net metering interconnections must meet Underwriters Laboratories (UL), National Electric Code (NEC), and the Institute of Electrical and Electronic Engineers (IEEE) standards only. Customer generators are only allowed to reduce energy bills to zero; collection of money from utilities for excess generation is prohibited. SB 256 exempts businesses from paying taxes for 10-20 years on property that is used as a facility for the production of electrical energy from solar energy when the businesses either use solar energy or recycled products as their primary source of electricity or manufacture goods that are made up of products that are recycled on-site. In order to qualify for tax exemption, the businesses must agree to continue operating their business in the state for 30 years or until they go out of business, whichever comes first.

Per the restructuring legislation, the Commission must submit a quarterly report to the Legislature that assesses the compatibility of retail access with environmental goals.

The Nevada restructuring law assures customers that they will have an electric provider. A "Provider of Last Resort" will serve any customer that either cannot obtain service from an alternative provider or has not chosen an alternative provider. The PUC has authority to ensure the provision of electric service to these customers in alternative ways consistent with the promotion of public interest. SB 438 offers several alternatives including the designation of an electric provider as the Provider of Last Resort, assignment of customers to a Provider of Last Resort, and conducting an auction among electric providers to supply the service. Proposed regulation (PUC Docket No. 97-8001, October 1999) indicates that the Provider of

Last Resort must offer rates no higher than the rate that was in effect in July 1999. This ruling is consistent with SB 438.

Green pricing programs remain under development by the Nevada State Energy Office.

Sources: Nevada AB 366, 1997; Nevada AB 622, 1997; Nevada SB 255, 1997; Nevada SB 256, 1997; An Overview of Nevada's 1997 Electric Industry Restructuring Legislation, from PUC's webpage, not dated; Nevada SB 438, 1999; PUC Docket No. 97-8001, October 1999.

Public Utilities Commission of Nevada's Website: www.state.nv.us/puc

NEW HAMPSHIRE

Legislative/Regulatory Status: In May 1996, the Governor signed NH RSA 374-F (HB 1392), the Electric Utility Restructuring Act. Full retail access was scheduled to be implemented no later than July 1, 1998, but conflicts over stranded cost recovery and other issues have delayed implementation in most areas of the state. Only two of the state's utilities have introduced retail access—Granite State Electric Company in July 1998 and the New Hampshire Electric Cooperative in January 2000. The New Hampshire Public Utilities Commission issued an order on April 19, 2000, granting conditioned approval of a proposed settlement with the Public Service Company of New Hampshire. In addition to being acceptable to the utility, the conditioned settlement must ultimately win the support of the Legislature as a preferred alternative to litigation before securitization legislation can be passed.

SBC Scope: RSA 374-F states that a wires-based SBC “may be used to fund public benefits related to the provision of electricity. Such benefits, as approved by regulators, may include... programs for low-income customers, energy efficiency programs, [commission expenses,] research and development, and investments in commercialization strategies for new and beneficial technologies.” It also states that, “Restructuring should be designed to reduce market barriers to investments in energy efficiency,” and should support and further “the goals of environmental improvement.” RSA 374-F was amended in 1998 by HB 587 to establish a funding cap on the SBC for any utility with rates above the regional average. The overall cap is set at 2.5 mills/kWh in the first year of retail access and 3.0 mills/kWh in the second year, including a 1.5 mills/kWh cap on the low-income bill assistance program to reflect the annual funding level approved by the PUC.

Despite the statutory language, in February 1997, the PUC issued its Final Plan (in DR 96-150) for restructuring implementation that stated: “. . . ratepayer funded programs for delivering energy efficiency services is no longer appropriate. The competitive market will be more successful in serving the need . . . than the ratepayer funded programs of the past.” The Final Plan mandated a complete phase-out of energy efficiency programs within 2 years of retail access. However, in a March 20, 1998 Rehearing Order (No. 22,875 in DR 96-150), the PUC backed off from that 2-year phase-out and revised its approach to encompass at least some ongoing support for energy efficiency. The PUC established a multi-party working group to develop recommendations for energy efficiency programs and policies. The PUC has not yet ruled on the working group's July 1999 report. On the other hand, the rehearing order did not change the PUC's earlier decision that the development of renewable energy should be driven by market forces and disclosure to consumers, and that R&D is better served by regional and national mechanisms.

SBC Funding: The Electric Assistance Program (EAP)—a low-income bill assistance program—will be funded by a 1.5 mills/kWh charge (about 1.3 percent of revenues or \$13 million per year) applied equally to all customers.

In its July 1999 report, the Energy Efficiency Working Group (EEWG) recommended that, after 70 percent of the state has gone to retail competition, each electric utility should budget

a minimum of 1 mill/kWh in the first year and 1.5 mills/kWh in the second year for energy efficiency programs, with the option for a utility to exceed that level if the Commission grants approval. Agreement was not met on budget levels after the second year, although a majority of the Group recommended a range of 2.5-3.2 mills/kWh. The EEWG recommended that after the low-income EAP is fully operational, the Commission should determine whether some of the EAP funds could be made available for energy efficiency for low-income consumers without negatively impacting the EAP.

SBC Administration and Oversight: The PUC's Final Plan recommended the establishment of a Low-Income Working Group (LIWG) to assist in the development, implementation, and monitoring of a low-income assistance program to address the affordability of customers' electric bills. An August 1998 report by the LIWG recommended that the EAP should be a fixed credit payment plan, based on customers' annual income and prior usage, and that customers should have access to low-cost/no-cost energy efficiency education materials. In addition, a 24-month Pre-Program Arrears pilot, crisis and budget counseling, and retail access and energy efficiency education were also suggested as components of the program.

The LIWG's report recommended that New Hampshire's Community Action Agencies be responsible for the daily administration of the EAP including the counseling and education aspects of the program. The LIWG recommended that the electric distribution companies collect the SBC from customers and apply credits to EAP participants' accounts. The LIWG suggested that the Governor's Office of Energy and Community Services (NHECS) be responsible for truing-up the collected EAP funds among utilities, insuring funds are managed according to program policy, and periodically assessing the effectiveness of the EAP. The report also suggested that, after retail access begins, a Commission-appointed EAP Advisory Board replace the LIWG. The Advisory Board would be responsible for acting as liaison between the PUC and other parties involved in the program, overseeing the program on a long-term basis, and drafting policy recommendations.

The May 10, 1999, meeting minutes reflect that during oral deliberations the Commission approved the recommendations of the LIWG with a few clarifications. At the same time, the Commission also approved the request that the SBC funds for a low-income DSM program come from the DSM mill charge and not the 1.5 mill rate for the low-income affordability program (EAP).

The EEWG recommended that the administration of the energy efficiency programs remain with the individual utilities at least for the next few years. The EEWG suggested the formation of a New Hampshire Energy Efficiency Committee to improve program consistency and reduce program costs by encouraging cooperation among utilities and stakeholders in the state. The EEWG also suggested a cost-effectiveness test including quantifiable resource-related benefits and costs, a 15 percent adder for non-quantified benefits, consideration of market effects, and the cost of shareholder incentives. It was suggested that the "New Hampshire cost-effectiveness test" be applied to all energy efficiency programs but that low-income and educational programs could still be approved even if they do not pass the test.

SBC Duration: In accordance with RSA 374-F, the authority of the PUC to impose a charge to fund assistance programs for low-income customers terminates on June 30, 2005. The law does not address the funding duration for energy efficiency.

Related Rules/Legislation: New Hampshire PUC, DR 96-150, Order No. 22,875, Electric Utility Restructuring—Order on Requests for Rehearing, Reconsideration and Clarification, March 20, 1998.

New Hampshire PUC, DR 96-150, Order No. 22,971, Statewide Electric Utility Restructuring Plan—Order Addressing Implementation Date, July 1, 1998.

New Hampshire PUC, DR 98-097, Order No. 23,013, New Hampshire Electric Cooperative, Inc., Electric Utility Restructuring: Compliance Filing, Order Addressing Compliance Filing and Announcing Interim Procedures Governing Retail Access, September 8, 1998.

New Hampshire PUC, DR 98-012, Order No. 23,041, Granite State Electric Company, Offer of Settlement for Retail Choice—Order Approving Amended Offer of Settlement, October 7, 1998.

New Hampshire PUC, DR 99-099, Order No. 23,346, Public Service Company of New Hampshire, Proposed Restructuring Settlement—Order Concluding Phase One of Proceeding, November 16, 1999.

New Hampshire PUC, DR 99-099, Order No. 23,443, Public Service Company of New Hampshire, Proposed Restructuring Settlement, April 19, 2000.

Renewables Portfolio Standard: None.

Disclosure: RSA 374-F and the PUC Final Plan support disclosure as a form of environmental protection and renewables support. The Disclosure of Resource Mix and Environmental Characteristics of Power Working Group (DRMECPWG) was established to make recommendations regarding the disclosure of resource mix and the emissions impact of those resources. At the April 17, 1997, meeting, the DRMECPWG produced a report entitled "Recommendation Regarding Labeling and the Disclosure of Resource Mix." Their suggestions included: a 12-18 month moratorium on disclosure so they can review the data collected through the NEPOOL Settlements; a meeting with the Public Education Working Group (PEWG) to discuss needs for customer information; a Federal Trade Commission/Attorney General/Stakeholders collaborative to establish disclosure guidelines on environmental claims; regional consistency in disclosure; and consideration of the "Green Tag" concept. In addition, PUC Staff participated in the New England Conference of Public Utilities Commissioners that developed a Model Rule on Information Disclosure. The New Hampshire Commission has suggested using those rules as a basis for the state's disclosure rulemaking proceeding, which has not yet taken place.

Other Pertinent Information: The PUC Final Plan stated that default power service (now referred to as "transition service") would be provided to all residential and small commercial

customers by the incumbent electric distribution company and that large commercial and industrial customers would only have access to such service for a 6-month period after the onset of retail access. However, due to conflicts arising from this proposal, in the DR 96-150 rehearing order, the Commission decided to abandon that idea and requested comments from parties on ways third-party suppliers could serve transition service customers as a result of a competitive bid process. RSA 374-F was amended to set a transition service period of 2-4 years and to provide the PUC with additional guidance on the structure of the service.

The PUC Final Plan supported a comprehensive public education program regarding customer choice and directed the establishment of the PEWG, which was responsible for hiring a consultant to design the education program. The consultant designed the program under the direction of the Commission and under advisement of the PEWG, which submitted a proposal entitled "Public Education Plan for Electric Competition" to the Commission in December 1997. The Commission concluded that the proposal met the legislative directive and gave the PEWG approval to move forward. The plan, based on benchmark surveys, focus groups, interviews and media analysis, focuses on residential and small business customers and suggests the implementation of a variety of educational tools including utility and newspaper inserts, a website, presentations, videos, displays, a call center, and radio and TV advertisements. The plan also includes information on the importance of energy conservation and reminds the public that the choice of an energy supplier has an impact on the environment. The education initiative is only being implemented in utility service territories that are open to retail competition, rather than on a statewide basis as initially proposed.

RSA 374-F indicates that "restructuring should allow customers the possibility of choosing to pay a premium for electricity from renewable resources and reasonable opportunities to directly invest in and interconnect decentralized" renewable resources.

Sources: New Hampshire RSA 374-F, Electric Utility Industry Restructuring Act, May 1996; New Hampshire PUC, Executive Summary of Final Plan to Implement RSA 374-F, February 28, 1997; Disclosure of Resource Mix and Environmental Characteristics of Power Working Group, Recommendation Regarding Labeling and the Disclosure of Resource Mix, April 1997; New Hampshire PUC, Public Education Plan for Electric Competition, December 1997; New Hampshire PUC, DR 96-150, Order No. 22,875, Electric Utility Restructuring—Order on Requests for Rehearing, Reconsideration and Clarification, March 20, 1998; New Hampshire PUC, DR 96-150, Order No. 22,971, Statewide Electric Utility Restructuring Plan—Order Addressing Implementation Date, July 1, 1998; Low-Income Working Group, Electric Assistance Program Policy Recommendations, August 18, 1998; New Hampshire PUC, DR 98-097, Order No. 23,013, New Hampshire Electric Cooperative, Inc., Electric Utility Restructuring: Compliance Filing—Order Addressing Compliance Filing and Announcing Interim Procedures Governing Retail Access, September 8, 1998; New Hampshire PUC, DR 98-012, Order No. 23,041, Granite State Electric Company, Offer of Settlement for Retail Choice—Order Approving Amended Offer of Settlement, October 7, 1998; New Hampshire Energy Efficiency Working Group, Docket No. DR 96-150, Report to the New Hampshire Public Utilities Commission on Ratepayer-Funded Energy Efficiency Issues in New Hampshire, July 6, 1999; New Hampshire PUC, DR 99-099, Order No.

23,346, Public Service Company of New Hampshire, Proposed Restructuring Settlement—Order Concluding Phase One of Proceeding, November 16, 1999; New Hampshire PUC, DR 99-099, Order No. 23 443, Public Service Company of New Hampshire—Proposed Restructuring Settlement, April 19, 2000.

New Hampshire Public Utility Commission's Website: www.puc.state.nh.us

NEW JERSEY

Legislative/Regulatory Status: The New Jersey Board of Public Utilities (BPU) released its Master Plan for utility deregulation in May 1997. In February 1999, the Governor signed SB 7, the Electric Discount and Energy Competition Act. The Act mandated that retail choice of electric power supplier would be available to all customers no earlier than June 1, 1999 and no later than August 1, 1999. SB 7 specified that all electric public utilities reduce their current rates by at least 10 percent, beginning with at least a 5 percent reduction on the retail access start date.

SBC Scope: The BPU is authorized by the Act to establish an adjustable societal benefits charge as a non-bypassable charge on all electric utility customers. The SBC will recover costs associated with societal benefit programs approved by the BPU prior to April 30, 1997, such as consumer protection, nuclear plant decommissioning, demand-side management, and consumer education. The Act stipulates that within 4 months of the effective date of the Act, and every 4 years thereafter, the BPU should initiate a proceeding and undertake a comprehensive analysis of energy programs. As part of this process, each of the state's utilities are required to submit: a proposed demand-side management and renewable plan; a proposed funding plan for new programs for energy efficiency and renewable energy resources over the next 4 years; and a proposed implementation and administration plan. The first round of this procedure is currently in process. The Act also established the option of a Universal Service Fund for programs for customers with low incomes.

SBC Funding: The Act specifies that "social programs" (chiefly low-income programs) and energy efficiency programs should be funded at the same levels as in effect at the date of the legislation. For energy efficiency, the best available estimate of this total is approximately \$256 million per year. However, that figure includes a substantial amount that is used for paying off the costs of prior programs. Therefore, one-half of the total is to be spent on paying for prior incurred costs and one-half on new programs. Also, 25 percent of the amount for new programs is to go for Class I renewables, with the remainder for energy efficiency. BPU proceedings are underway to determine exactly what the funding levels should be for new energy efficiency and renewable energy programs. Ultimately, the minimum amount of funding dedicated to new programs could be up to \$140 million, as prior program costs are paid off. After the eighth year, the BPU will determine the appropriate level of funding for these programs. The BPU will also determine the appropriate funding level of the Universal Service programs for low-income customers.

SBC Administration and Oversight: The programs funded by the SBC will continue to be provided by the utility until otherwise determined by the BPU. The BPU will establish the appropriate administration of the Universal Service Fund and the purposes and programs to be funded. The BPU is responsible for determining whether the funds for existing low-income programs (Lifeline Credit Program, Tenants' Lifeline Assistance Program, Low-Income Home Energy Assistance Program, etc.) should be deposited into the fund and whether new charges should be imposed for new programs.

SBC Duration: The SBC begins on the date retail access begins. The Act requires that each social program continue to be provided by the utilities until otherwise provided by law, unless the Board determines that it is no longer appropriate or chooses to modify the program. Within 9 months of the implementation of retail access, the BPU is to initiate a proceeding regarding the creation of a Universal Service Fund, which is non-lapsing.

Related Rules/Legislation: New Jersey BPU, In the Matter of the Filings of the Comprehensive Resource Analysis of Energy Programs Pursuant to Section 12 of the Electric Discount and Energy Competition Act of 1999, Docket Numbers EX99050347, EO99050348, EO99050349, EO99050350, EO99050351, EO99050352, EO99050353, EO99050354, June 1999.

Renewables Portfolio Standard: The Act requires that the BPU adopt interim renewable portfolio standards in which 2.5 percent of the kilowatt-hours sold in New Jersey by each electric power supplier and generator must be from Class I and/or Class II renewable energy sources. Class I renewable energy is defined as electric energy produced by solar technologies, photovoltaic technologies, wind energy, fuel cells, geothermal, wave or tidal action, and methane gas from landfills or a biomass facility. Class II renewable energy is defined as electric energy produced by a resource recovery facility or hydropower facility that meets the required environmental standards. Beginning on January 1, 2001, 0.05 percent of the kilowatt-hours sold in the state by each electric supplier and generator must be from Class I renewables, incrementally increasing until 2012 when 4 percent of the kilowatt-hours sold are from Class I renewables.

Disclosure: Electric suppliers and generators are required by SB 7 to disclose fuel mix and emissions on bills, contracts, and marketing materials. The BPU is responsible for developing a standardized, graphic-intensive, and easy-to-understand format for companies to disclose emissions information in output pounds per megawatt hour.

Other Pertinent Information: SB 7 mandates that the BPU, in consultation with the Division on Consumer Affairs, establish a multi-lingual consumer education program. The education program is to be designed to educate residential, small business, and special needs consumers on the implications of retail access and to help consumers make informed decisions regarding their electric service. The BPU will determine how the costs for the educational programs will be recovered.

The Act requires that electric suppliers and generators provide net metering to residential and small commercial customers who produce their own electricity with wind or solar PV systems. The electricity supplier or generator must credit the customer-generator for any excess kilowatt-hour produced at the end of the annualized period. The BPU may authorize the electricity supplier or generator to cease additional net metering when electricity produced by customer-generators equals 0.1 percent of New Jersey's peak electricity demand or the aggregate financial impact of customer-generators exceeds \$2 million.

Electric utilities must offer Basic Generation Service (BGS), or Standard Offer Service, as required by the Act. BGS is electric service offered to customers who have not or cannot

choose a supplier of their choice. This service remains regulated by BPU and must be offered at market prices. After a 3-year period, the BPU may allow utilities to bid on procurement of the service.

Sources: New Jersey SB 7, January 1999; New Jersey BPU Docket Numbers EX99050347, EO99050348, EO99050349, EO99050350, EO99050351, EO99050352, EO99050353, EO99050354, June 1999; New Jersey BPU Staff Report, Environmental Information Disclosure, July 27, 1999; New Jersey BPU Staff Draft Report, Interim Net Metering, Safety and Power Quality Standards for Wind and Solar Photovoltaics Systems, not dated; New Jersey BPU Staff Report, Draft Interim Renewable Portfolio Standards, not dated.

New Jersey Board of Public Utilities' Website: <http://www.bpu.state.nj.us>

NEW MEXICO

Legislative/Regulatory Status: The Governor signed SB 428, the Electric Utility Industry Restructuring Act of 1999, in April 1999. The Act states that customer choice of electric provider will be available to public post-secondary educational institutions and public schools, and residential and small business customers on January 1, 2001, and for all other customers on January 1, 2002. Each public utility is to file a transition plan that complies with the Electric Utility Industry Restructuring Act with the New Mexico Public Regulation Commission (PRC) no later than March 1, 2000. The PRC is to review the plans by December 1, 2000 and has the authority to extend any deadline established in the Electric Utility Industry Restructuring Act if it finds that it is necessary for the orderly implementation of competition. In January 2000, the Commission delayed the filing deadlines for transition plans by 3 months. The Commission will be taking further comments on March 20, 2000 to determine the necessity for further delays.

SBC Scope: The Act creates and imposes a system benefits charge on distribution service. The Act specifies that the SBC will cover support for administration of the fund, customer education, programs for low-income customers, and renewable technology programs.

SBC Funding: Each electric public utility, municipal utility, and distribution cooperative utility will charge a \$0.0003/kWh SBC that is separately identified on distribution service bills. The Act establishes several annual monetary guidelines for the SBC fund: no more than \$100,000 to the Department of Environment for administration of the fund; \$500,000 to the PRC for consumer education and administration of the Act; no less than \$500,000 for low-income energy assistance; and no more than \$4 million to encourage the use of renewable energy in school districts or by the governing body of an incorporated city, town, village, or county.

SBC Administration and Oversight: Quarterly payments of collected SBC monies are to be made by the electric public utilities, municipal utilities, and distribution cooperative utilities to the Department of Environment, which is responsible for promulgating rules regarding the application procedure and required qualifications for each SBC project. The Department is also responsible for managing and administering the SBC fund and disbursing funds to recipients.

SBC Duration: The system benefits charge will begin on January 1, 2002. The PRC is required to review the SBC and to make recommendations to the legislature by January 10, 2004 for any repeal or change.

Related Rules/Legislation: New Mexico PRC, Case No. 3109, Notice of Proposed Rulemaking Regarding Standard Offer Service, August 1999.

New Mexico PRC, Case No. 2847, Final Order Approving Amended NMPRC Rule 571, 17 NMAC 10.571, Net Metering of Customer-Owned Qualifying Facilities of 10 kW or Smaller, September 7, 1999.

New Mexico PRC, Case No. 3167, Notice of Proposed Rulemaking to Establish License Application, Revocation, Abandonment and Reporting Requirements for Competitive Power Suppliers, October 1999.

Renewables Portfolio Standard: The Act stipulates that any person applying for a competitive power supplier license shall submit a proposal for renewable energy supply service options to customers. However, no minimum renewable energy supply percentages are required in the legislation.

Disclosure: The PRC is required to promulgate rules requiring disclosure of generation source, fuel mix, and associated emissions. The PRC has a study group looking at emissions disclosure, and they are reviewing the proposed rule developed by the Committee on Regional Electric Power Cooperation of the Western Conference of Public Service Commissioners and the United States Environmental Protection Agency's Emissions & Generation Resource Integrated Database.

Other Pertinent Information: The Act instructs utilities to propose Standard Offer service tariffs as part of their transition plans. The Standard Offer service will be provided to residential and small business customers that do not select a power supplier after customer choice is available. In August 1999, the Commission issued a proposed rulemaking (Case 3109) regarding Standard Offer Service. In the proposed rulemaking, the PRC stated a preference for competitive bidding, specifying that the supply service purchased for Standard Offer Service should be procured by competitive bidding whenever competitive bidding is not an unreasonable business practice.

The Act directs the Commission to conduct customer education efforts necessary to enable customers to make informed decisions about customer choice.

In September 1999, the PRC issued a final order in Case 2847 to allow net metering for customer-owned renewable/alternative energy resources of 10 kW or less. The rulemaking proposes that if the consumer-generator uses more electricity than they generate, they will be billed for the net energy, and if the consumer-generator supplies more electricity than they use, they will be charged only monthly fees and credited for any excess kilowatt-hours on their next monthly statement.

Sources: New Mexico PRC, Case No. 2847, Notice of Proposed Rulemaking to Allow Net Metering for Customer Owned Renewable Energy and Fuel Cell Generation Resources of 10 kW or Less, September 1998; New Mexico PRC, Case No. 2860, Notice of Proposed Rulemaking in the Matter of the Adoption of a Rule Establishing a Renewable Energy Fund, September 1998; New Mexico SB 428, The Electric Utility Industry Restructuring Act of 1999, April 1999; New Mexico PRC, Case No. 3109, Notice of Proposed Rulemaking Regarding Standard Offer Service, August 1999; New Mexico PRC, Case No. 2847, Final Order Approving Amended NMPRC Rule 571, 17 NMAC 10.571, September 7, 1999; New Mexico PRC, Case No. 3167, Notice of Proposed Rulemaking to Establish License Application, Revocation, Abandonment and Reporting Requirements for Competitive Power Suppliers, October 1999.

New Mexico Public Regulation Commission's Website: www.nmprc.state.nm.us

NEW YORK

Legislative/Regulatory Status: In May 1996, the PSC issued Order 96-12, requiring each of the state's electric utilities to file rate and restructuring plans by October 1996. Settlement agreements between the utilities and interested parties were approved by the PSC for six of the state's seven investor-owned utilities in late 1997 and early 1998. The settlement agreements will provide for an overall decrease in statewide electricity rates of about 10 percent when fully implemented over the next several years. Additionally, the agreements allow for a phase-in of retail access between 1998 and 2002, with full retail access for all customers by 2002. Central Hudson Gas and Electric Corporation, for example, plans to be able to offer retail access to all customers in its service territory by July 1, 2001. The plan involves phasing-in an additional 8 percent of its load by September 1998, another 8 percent by January 1999, another 8 percent by January 2000, and the balance of its customers by July 1, 2001.

The Long Island Lighting Company (LILCO), the only utility not covered by the settlement agreements, merged with the Brooklyn Union Gas Company to form a new holding company, Keyspan. Furthermore, in a related transaction, the Long Island Power Authority acquired certain of LILCO's assets including its transmission and distribution system, the Shoreham regulatory asset, and its 18 percent share of the Nine Mile Point II nuclear facility. The LILCO/LIPA agreement will result in an average 19 percent rate reduction for Long Island's electricity customers.

In February 1997, the PSC established a separate proceeding to address SBC issues under Case 94-E-0952 and in January 1998, the PSC issued Opinion No. 98-3 proposing initially a 3-year SBC, funded by a competitively neutral wires charge and designating the New York State Energy Research and Development Authority (NYSERDA) as the SBC independent third-party administrator. The wires charge was capped at 1 mill/kWh and was initially designed to operate between July 1, 1998 and July 1, 2001. In July 1998, the PSC approved NYSEDA's proposed SBC plan for statewide programs with slight modifications.

SBC Scope: The SBC has three main program areas: energy efficiency; R&D (including environmental research), and low-income. The energy efficiency program area includes market transformation (including upstream initiatives, financial assistance, new construction, and residential building performance initiatives), energy services industry programs (standard performance contracts, financial packaging services), and technical assistance and outreach programs. The R&D program area includes renewable energy (wind, PV, and biomass), energy efficiency research, environmental monitoring, evaluation and protection, strategic energy research, and environmental research. The low-income program area includes weatherization, aggregation, publicly assisted housing, and a public awareness campaign. Opinion No. 98-3 directed that the budgets for the SBC programs included enough to fund an evaluation component.

SBC Funding: The annual level of funding for the SBC and its collection in rates as a wires charge for each of the utilities was established in the individual utility rate and restructuring proceedings. In the July 2, 1998 Order, the PSC approved the following total funding

allocations for the 3-year SBC program: energy efficiency—\$161.6 million; R&D—\$40.4 million; low-income—\$29.3 million; and Environmental Disclosure—\$3.0 million, for a total of \$234.3 million (approximately \$78 million per year, equivalent to approximately 0.8 mills/kWh). Of the total SBC funds, approximately \$60 million supports programs to which the utilities had made previous commitments, \$3 million (\$1 million per year) was put in reserve by the utilities for environmental disclosure activities (see **Disclosure**, below), and \$172 million funds statewide programs operated by NYSERDA for the PSC.

The total SBC budget of \$234.3 million does not include energy efficiency spending by the Long Island Power Authority (estimated to be \$32 million the first year followed by \$12 million per year thereafter) or by the New York Power Authority (estimated to be approximately \$10 million per year).

SBC Administration and Oversight: The Commission indicated in their January 1998 order (Opinion No. 98-3) that NYSERDA would function as the statewide administrator of the SBC funds. A 17-member SBC Advisory Group (comprised of representatives of the utilities; the generation industry; the energy services industry; the research and environmental communities; and industrial, residential, small commercial, and low-income customers) was established to provide input into the design of SBC programs. NYSERDA's responsibilities in this area are outlined in more detail in a Memorandum of Understanding, dated March 11, 1998, among NYSERDA, the Commission, and the Department of Public Service.

NYSERDA's "Energy Smart" programs are awarded to contractors based on successful competitive proposals. The electric companies are allowed to bid on the implementation of the programs. As of late June 1999, NYSERDA had committed \$106 million out of \$172 million (61 percent) of its SBC funds.

The SBC Advisory Group will also serve as an independent program evaluator. NYSERDA will prepare a draft program evaluation report that will be reviewed by the SBC Advisory Group, which will submit the staff report, plus the group's analysis of it, to the Department of Public Service and the PSC for review.

SBC Duration: Funding for the SBC will initially be for a period of 3 years, beginning July 1, 1998. The PSC deferred to a future decision whether these programs should continue beyond the 3-year period.

Related Rules/Legislation: New York PSC, Opinion No. 96-12 in Case No. 94-E-0952 in the Matter of Competitive Opportunities Regarding Electric Service, May 1996.

New York Public Service Law, § 66-j, An Act to Amend the Public Service Law to Include Net Energy Metering for Residential Solar Electric Generating Systems, August 1997.

New York PSC, Opinion No. 98-3 in Case No. 94-E-0952 in the Matter of Competitive Opportunities Regarding Electric Service—Opinion and Order Concerning System Benefits Charge Issues, January 1998.

New York PSC, Order on Case Numbers 97-E-1951, 97-E-1966, 97-E-1967, 97-E-1968, 97-E-1969, 97-E-1975, 97-E-2003, Tariff Filings To Implement Net Energy Billing Arrangements With Residential Customers Operating Photovoltaic Generating Facilities With a Capacity of 10 kW or Less—Order on Net Metering of Residential Photovoltaic Generation, February 11, 1998.

New York PSC, Case No. 94-E-0952, Order Approving System Benefits Charge Plan with Modifications and Denying Petitions for Rehearing, issued July 2, 1998.

New York PSC, Order on Case Numbers 97-E-1951 et. al., Order Denying Rehearing and Modifying Net Metering Tariffs, July 28, 1998.

New York Public Service Law, § 66-k, A8506, Fair Competition Act, An Act to Amend the Public Service Law Ensuring Fair Competition in the Electric Industry for Clean Distributed Energy Resources in New York State, May 1999.

Renewables Portfolio Standard: None.

Disclosure: Per Case No. 94-E-0952, starting on July 1, 1998, the electric utilities set aside \$3 million (\$1 million annually) of the SBC funds for environmental disclosure, pending a determination by the Commission about a funding mechanism for environmental disclosure. Staff from the Department of Public Service released a white paper in August 1998, which focused on specific disclosure issues. In the summer of 1999, the above \$3 million was assigned to NYSERDA to cover its data collection expenses in support of New York's ISO.

Other Pertinent Information: A net metering bill was signed in August 1997 (Public Service Law, §66-j). Each electric company is to contract with customer-generators until the customer-generators own and operate 0.01 percent of the corporation's 1996 electric demand. The law includes provisions for utility buy-back of excess generation at retail rates, a 5-year tax credit for homeowners of 25 percent of the cost of a PV system, and specifics regarding which connection costs must be borne by the utility. Customers can generate up to 10 kW. After January 1, 2005, the Commission has the authority to increase the 0.01 percent limit.

In May 1999, the Fair Competition Act was signed (Public Service Law, §66-k) promoting fair competition for clean distributed energy resources including solar photovoltaics, wind, and fuel cells. The Act states that electric customers generating up to 50 kW of clean distributed energy resources on their property have the right to interconnect with the electric distribution system. The first 1,000 MW generated by a customer are exempt from any exit fees. The Act also directs the PSC to remove barriers to cost-effective investments in clean distributed energy resources and to remove the link between the level of sales and the recovery of fixed costs.

In Order 96-12, the Commission determined that the transmission and distribution companies were responsible for providing customers with basic protection, thus assigning them the role of Provider of Last Resort during the transition to customer choice.

Sources: Public Service Law § 66-j, August 1997; New York PSC Orders 96-12 and 98-3; New York PSC Docket Case 94-E-0952; New York PSC Orders on Case Numbers 97-E-1951, 97-E-1966, 97-E-1967, 97-E-1968, 97-E-1969, 97-E-1975, 97-E-2003; New York PSC Case No. 94-E-0952, Order Approving System Benefits Charge Plan with Modifications and Denying Petitions for Rehearing, issued July 2, 1998; Public Service Law § 66-k, May 1999.

New York Public Service Commission's Website: www.dps.state.ny.us

OHIO

Legislative/Regulatory Status: On July 6, 1999, the Governor signed SB 3, Ohio's electric restructuring act. The Act instructed the eight existing electric utilities supplying retail electric service to file transition plans with the Public Utilities Commission of Ohio (PUCO) within 90 days of the effective date of the Act. The PUCO is to issue orders either approving or modifying and approving the transition plans by October 31, 2000. The Act designates January 1, 2001 as the target date for retail access in the state; however, the PUCO may delay that date for an individual utility for up to 6 months.

SBC Scope: Low-income assistance and energy efficiency education programs and an Energy Efficiency Revolving Loan Program are to be covered by two separate funds in the state treasury, the Universal Service Fund and the Energy Efficiency Revolving Loan Fund. The low-income assistance program will include a weatherization program targeted at eligible customers with the goal of reducing customers' electric bills. The Energy Efficiency Revolving Loan Program will include financial assistance to customers for eligible energy efficiency products, technologies, or services. Groups targeted include residential, small commercial, small industrial business and agricultural customers, local governments, educational institutions, nonprofits, and low-income housing. Financial assistance will be obtained through approved financial institutions in the form of below market loans.

SBC Funding: On the effective date of the restructuring act, a Universal Service Rider will replace the existing Percentage of Income Payment Plan (PIPP) Rider and any electric utility rates used to fund low-income customer energy efficiency programs. The Act moves the PIPP to the Department of Development (Development) to consolidate the administration of low-income programs into one agency. The rules for the PIPP will remain the same. The revenues for the Universal Service Fund are to be collected by the electric distribution companies beginning July 1, 2000. These funds will then be remitted to the director of Development. Money from the fund shall be dispersed to any electric or energy efficiency service supplier that provides service to eligible low-income customers.

The Energy Efficiency Revolving Loan Fund will be made up of all energy efficiency revenues collected by electric distribution utilities on a temporary rider for the Energy Efficiency Revolving Loan Program beginning January 1, 2001. The rates will be calculated by the PUCO based on a uniform, statewide amount determined by the director of Development. These funds will then be remitted to the director of Development on a quarterly basis. The target amount shall not exceed more than \$15 million in any year through 2005 and shall not exceed more than \$5 million in any year after 2005. The rider will terminate at the end of 10 years from January 1, 2001 or after the Energy Efficiency Revolving Loan Fund reaches \$100 million, whichever comes first.

SBC Administration and Oversight: No later than March 1, 2000, the director of Development is to adopt rules to ensure the effective and efficient administration of the low-income programs. The rules will be effective July 1, 2000 and shall include issues regarding customer eligibility, procedures for disbursing funds, etc. Beginning July 1, 2000, the

director of Development is authorized to administer the low-income customer assistance programs.

The PUCO and the Public Benefits Advisory Board, created through Ohio's restructuring act, have been directed to advise the director of Development in the administration of the Universal Service and Energy Efficiency Revolving Loan funds and programs. The Advisory Board will consist of 21 members including the director of Development, the chairperson of the PUCO, the Consumers' Counsel, the director of the Air Quality Development Authority, two members of the House of Representatives, two members of the Senate, and thirteen governor appointees.

SBC Duration: Start dates are July 2000 for the Universal Service Fund and January 2001 for the Energy Efficiency Revolving Loan Fund. There is no end date for the Universal Service Fund. The end date for the Energy Efficiency Revolving Loan Fund is 10 years from the start date or when the fund gets up to \$100 million, whichever comes first.

Related Rules/Legislation: Public Utilities Commission of Ohio, Case No. 99-1141-EL-ORD, Commission-Ordered Consumer Education Plan, November 30, 1999.

Renewables Portfolio Standard: None.

Disclosure: SB 3 requires that the electric utility, electric services company, electric cooperative, or governmental aggregator determine and disclose to customers the approximate generation resource mix and environmental characteristics of the power supply. This information is to be provided to customers upon entering into an electricity purchase contract and four times per year. In addition, each electric provider must supply customers with standardized information comparing the approximate with the actual generation resource mix and environmental characteristics. This information must be provided to customers at least once per year (or at least once during the contract if the contract is less than 1 year) and prior to the renewal of a contract.

Other Pertinent Information: Ohio's restructuring Act mandates that electric distribution utilities in the state provide consumers with a market-based Standard Service Offer. The Standard Service Offer must be filed with the PUCO and offer customers the electric services necessary to maintain essential electric service.

The Act mandates that the PUCO and the Office of the Consumer's Counsel work together to educate consumers about electric industry restructuring in Ohio. The Ohio Electric Utility Institute shall administer the campaign under the Commission's supervision and coordinate the finances. The bill specifies minimum total spending of \$16 million for the first year after the effective date of competition and \$17 million for the remainder of the market development period. The general plan for the education program is described in PUCO Case No. 99-1141-EL-ORD. In addition to each electric utility developing its own consumer education program, the PUCO will select a consulting firm to assist in conducting the statewide consumer education campaign. The PUCO issued a Request for Proposals with proposals due January 14, 2000.

Beginning January 1, 2001, electric service providers are to develop a standard contract for providing net energy metering to customer-generators that use solar, wind, biomass, landfill gas, or hydropower for fuel, or use a microturbine or fuel cell. Any time that the total rated generating capacity used by customer-generators is less than 1 percent of the provider's peak demand in Ohio, the provider must make net metering available to customer-generators. Net metering shall be accomplished using a single meter capable of registering the flow of electricity in each direction. The customer-generators will be billed if they use more than they generate and credited if they generate more than they use.

Sources: Ohio SB 3, July 1999; PUCO Summary of SB 3 for Governor Taft, Ohio's Electric Restructuring Blueprint, not dated; Legislative Service Commission Bill Analysis, SB 3, not dated; PUCO Case No. 99-1141-EL-ORD, Commission-Ordered Consumer Education Plan, November 30, 1999.

Ohio Public Utilities Commission's Website: www.puc.state.oh.us

OKLAHOMA

Legislative/Regulatory Status: Technically, Oklahoma has not yet restructured its electric industry. However, Oklahoma SB 500, The Electric Restructuring Act of 1997, was signed into law in April 1997 and amended in June 1998. The law establishes broad goals that are captured in 14 restructuring principles. The law leaves the implementation details up to the Joint Electric Utility Task Force (JEUTF), which is charged with performing a series of studies that will culminate in implementation plans. The Task Force is to be made up of fourteen members of the Oklahoma legislature, seven each to be selected by the President Pro Tempore of the Senate and the Speaker of the House of Representatives. The Task Force may appoint advisory councils of representatives from utility companies, regulatory agencies, residential or industrial consumers, etc., and shall remain in effect no later than January 1, 2003. During the transition period to full consumer choice, the Oklahoma Corporation Commission (OCC) is prohibited from promulgating any rules or issuing any orders relating to restructuring without authorization by the state legislature. Retail access is projected for statewide implementation by July 1, 2002.

In 1998, a bill (SB 888) was passed and signed to speed up the completion date of the Task Force study to October 1, 1999, and shift oversight responsibility to the legislature. The JEUTF submitted the Report on Restructuring Issues, as scheduled, in October 1999. The report is being used by the Oklahoma Legislature as a framework of electric restructuring issues in Oklahoma. The JEUTF will continue studying issues and providing ongoing guidance to the legislature regarding the implementation of retail access in the state.

SBC Scope: SBC was not included in the legislation, but will be addressed in ongoing Task Force and OCC studies.

SBC Funding: To be addressed at a later date.

SBC Administration and Oversight: To be addressed at a later date.

SBC Duration: To be addressed at a later date.

Related Rules/Legislation: Oklahoma SB 888, An Act Relating to Electric Utilities, May, 1998.

Renewables Portfolio Standard: The use of renewable technologies is under discussion by the task force.

Disclosure: None.

Other Pertinent Information: A default provider will be ensured for customers that have not chosen an alternative retail electric energy supplier.

Oklahoma SB 888 provides that county commissioners of any county may enter into an energy conservation contract for the purpose of implementing energy conservation measures

designed to reduce the energy consumption of county facilities. SB 888 specifies that bids for the projects will be solicited through requests for proposals.

Utilities are continuing to provide some energy efficiency/DSM programs. Diminishing federal funds for low-income programs has been identified as a problem.

The Consumer Education Campaign Team (public information officers from industry, consumer interest groups, municipal electric systems, print media, and OCC staff) of the Subcommittee on Consumer Education and Consumer Protection is designing an outreach plan to inform consumers of the future changes in the electric utility industry.

Sources: Oklahoma SB 500, April 1997; Oklahoma SB 888, May 1998; Joint Electric Utility Task Force, Territorial and Competitive Issues Working Group, Executive Summary, May 19, 1999; Joint Electric Utility Task Force Report on Electric Restructuring Issues, October 1999.

Oklahoma Corporation Commission's Website: www.occ.state.ok.us

Details of the Restructuring Working Group's Meetings and Reports to the JEUTF can be found on the following Website: www.restructureok.net

OREGON

Legislative/Regulatory Status: In 1995, the governors of the four Northwest states convened the Comprehensive Review of the Northwest Energy System. The final report of the 20-member Steering Committee was issued in December 1996 and included 11 recommendations for restructuring the region's electric industry. The Comprehensive Review recommended retail access by July 1999, but implementation was up to individual state legislatures. In July 1999, the governor of Oregon signed SB 1149, an Act relating to restructuring Oregon's electric power industry. The Act mandates that by October 1, 2001, Portland General Electric (PGE) and PacifiCorp must provide direct access for nonresidential customers, a portfolio of options for residential customers, and a cost-of-service rate option for residential and small commercial customers. The Act does not require municipal utilities, cooperatives, or Public Utility Districts (PUDs) to offer retail access or portfolio options to their customers. The Oregon Public Utility Commission must report to the legislature by January 1, 2003 whether residential customers would benefit from retail access.

SBC Scope: SB 1149 established a system benefits charge (called a public purpose charge) that will fund public purpose programs in Oregon. These programs will include cost-effective conservation and market transformation (63 percent), renewable resources (19 percent), new low-income weatherization (13 percent), and Housing and Community Services grants (5 percent). Education service districts will receive the first 10 percent of the funds collected by the electric companies for audits, weatherization, education, and purchasing or investing in green resources. The Act requires that PGE and PacifiCorp offer portfolio options to residential customers. The portfolio options must include a market-based rate and a rate based on the cost of generating electricity from significant new renewable resources. Customers with loads greater than 1 MW may receive credits against the related portions of the 3 percent SBC for expenditures on new energy efficiency measures and/or above-market costs of purchases of new renewable resources. Credits must be pre-certified through the Office of Energy.

SBC Funding: SB 1149 stipulates that once retail access begins, PGE and PacifiCorp will collect a system benefits charge representing 3 percent of total revenues (generation, distribution, transition charges, and other costs) for public purpose programs. The system benefits charge is limited to 1 percent for large aluminum companies. The Act specifies that at least 80 percent of the charges collected for conservation should be spent in the service area of the electric company that collected the funds.

In addition to the public purpose charge, beginning January 1, 2000, PGE and PacifiCorp will collect \$5 million per year for low-income payment assistance until retail access begins. At that point, the low-income assistance funding increases to \$10 million. The maximum that any customer will pay per site is \$500. The Act dictates that the charges collected should be spent in the service area of the electric company that collected the funds.

SBC Administration and Oversight: The PUC is responsible for determining how the SBC is collected and spent by the electric companies, except for the low-income weatherization

and other funds allocated to the Housing and Community Service Department and those distributed to the education service districts.

SBC Duration: The SBC will begin on the date that an electric company offers retail access and continue for 10 years. On January 1, 2011, a report to the Legislature is due suggesting whether the public purpose programs should be continued.

Related Rules/Legislation: None.

Renewables Portfolio Standard: No specific standard is required. However, the restructuring law requires that PGE and PacifiCorp give residential customers a portfolio of options that includes a market-based rate and a rate based on new renewable resources.

Disclosure: SB 1149 states that “every bill to a direct access retail electricity consumer from an electricity service supplier shall contain . . . power source and environmental impact information necessary to ensure that all consumers have useful, reliable and necessary information to exercise informed choice, as determined by the Commission.”

Other Pertinent Information: Green pricing programs are recommended in the Comprehensive Review report but no details are provided. Electric Lite, an energy service provider in Portland General Electric’s Customer Choice pilot program, offered a green pricing option at a price premium to residential and commercial customers in the pilot areas. In late 1999, PGE established a program to enable customers to purchase blocks of power to support wind resources or salmon restoration. PacifiCorp proposed a similar program for wind, geothermal, and solar resources in early 2000.

Sources: Northwest Power Planning Council Comprehensive Review, December 1996; Electric Power Alert, June 4, 1997; Key Provisions of SB 1149, SB 1149 Summary By Issue, and SB 1149 Summary By Section, from the PUC website, not dated.

Oregon Public Utility Commission Website: www.puc.state.or.us

PENNSYLVANIA

Legislative/Regulatory Status: In December 1996, the Governor signed the Electric Generation Customer Choice and Competition Act (HB 1509). Electric choice has been implemented in Pennsylvania, with all customers of Electric Distribution Companies (EDCs) having the opportunity to choose an electric generation supplier. Most restructuring documents and orders can be obtained from the Pennsylvania Public Utility Commission's website.

SBC Scope: The Act mandates the implementation of policies, protections, and services that help low-income customers maintain electric service. Energy efficiency, termination of service protection, customer assistance programs, consumer education, and renewable energy programs for low-income customers were cited as examples of universal service and energy conservation programs that could be supported by the system benefits charge. Customers do not have to heat their homes with electricity to be eligible for the programs. Programs are utility service territory-specific rather than statewide.

The Guidelines for Universal Service and Energy Conservation Programs suggest that a company's educational plan should inform low-income consumers of the available retail access options and explain the customer's responsibilities in choosing a supplier. The program guidelines emphasize the importance of using multi-language approaches, implementing delivery mechanisms that will reach people with disabilities, conducting community workshops, and coordinating with agencies serving the same customers.

In its Guidelines, the PUC explicitly chose not to use funds collected to create R&D programs.

SBC Funding: The law mandates that each EDC offer universal service programs that are funded "at minimum at existing levels" and are "appropriately funded and available." The Act sets no specific spending levels. A full recovery of costs is permitted. For some EDCs the costs are recovered in base rates. For the remainder, the costs are recovered through a charge assessed on each kilowatt-hour delivered. These mechanisms came about as a result of individual EDC restructuring settlement agreements approved by the Commission.

Specific funding levels for the public benefit programs were also determined in each EDC's restructuring plan settlement agreement for 1999-2002. Total funding for the eight EDCs for the Low-Income Usage Reduction Program (LIURP—energy conservation) starts at \$14,830,791 in 1999 and increases to \$18,817,041 in 2002. Likewise, the funding for the Customer Assistance Program (CAP—payment assistance) increases from a total of \$57,576,000 in 1999 to \$78,482,125 in 2002.

The renewable settlement agreements (for the five EDCs that are required to participate) resulted in a budget for a Renewables Pilot Program as well as a Sustainable Energy Fund. The Renewables Pilots, involving solar water heating and PV applications in low-income homes, were funded for a total of \$3,860,000 for 1999 and 2000. The Sustainable Energy Fund, which was designated to promote renewable energy, energy efficiency, and economic

development projects that promote clean energy or have an impact on jobs, was funded at approximately \$11.3 million per year.

SBC Administration and Oversight: The PUC’s “Guidelines for Universal Service and Energy Conservation Programs” recommend leaving administration with individual utilities for the foreseeable future. The Act specified that the Commission should encourage the use of experienced community-based organizations to directly provide the programs. The Commission is to have administrative oversight of the programs to ensure that the programs are run cost-effectively.

SBC Duration: Funding for SBC programs has been provided for until at least 2010, at which time the programs will be revisited.

Related Rules/Legislation: Pennsylvania PUC, Final Order, Guidelines for Universal Service and Energy Conservation Programs, July 1997 (Pennsylvania Docket No. M-00960890 f 0010).

Pennsylvania PUC, Final Rulemaking Order Re: Customer Information Disclosure for Electricity Providers, April 30, 1998 (Pennsylvania Docket No. L-00970126).

Pennsylvania PUC, Opinion and Order, Creation and Implementation of a Statewide Consumer Education Program for Electric Restructuring in the Commonwealth of Pennsylvania, February 1998 (Pennsylvania Docket No. M-00981036).

Document	Website
CAP Policy Statement	www.pabulletin.com (Vol. 29, No. 19, 5/8/99, Pennsylvania PUC, Statements of Policy)
EDC Universal Service Reporting Requirements	www.pabulletin.com (Vol. 28, No. 32, 8/8/98, Pennsylvania PUC)
Electric Restructuring Filing Guidelines	puc.paonline.com/electric/Univ_Service_Orders.htm
Low-Income Usage Reduction Program (LIURP) Regulations	www.pacode.com/secure/data/052/chapter58/chap58toc.html

Renewables Portfolio Standard: Bidders to provide Provider of Last Resort (PLR) service (explained below) must agree to supply 0.2 percent of energy from renewable resources such as solar, wind, sustainable biomass, ocean power, geothermal, or waste coal.

Disclosure: Customer Information Disclosure regulations have been promulgated. The regulations deal with definitions, bill format, terms of service, and privacy of customer information. Electric Generation Suppliers (EGS) shall provide consumers with information regarding fuel mix upon request. Fuel mix information is also provided to the Commission in the annual EGS licensing report, also to be provided by the EGS upon consumer request.

Other Pertinent Information: The Act mandates that the EDC or a Commission-approved supplier (EGS) acquire electric energy at current market prices to serve all customers that do not obtain generation from another EGS. The Act states that the PLR shall fully recover all of its reasonable costs. Customers who have not chosen their own EGS shall be assigned to the PLR. Retail PLR service shall be provided by competitive bid, and based upon a percentage of load phased-in over approximately 4 years. The exact time period and types of load factored into the Competitive Default Service calculations are different for each EDC.

A statewide consumer education program regarding retail access is funded by the competitive transition charge. Bids were solicited to select a contractor to conduct a statewide mass media campaign. On a local level, retail access education is offered by the individual EDCs.

Sources: Pennsylvania HB 1509, Electric Generation Customer Choice and Competition Act, December 1996; Pennsylvania PUC Docket Numbers M-00960890 f0010, M-00981036; Settlement Agreements on EDC's Restructuring Plans: Pennsylvania PUC Docket Numbers R-00973953 and P-00971265 (PECO), R-00974149 (Pennsylvania Power Company), R-00974009 (Pennsylvania Electric Company), R-00974008 (Metropolitan Edison Company), R-00973954 (Pennsylvania Power and Light Company), R-00974104 and R-00974104C0001-C0004 (Duquesne Light Company), and R-00973981 (West Penn Power Company).

Pennsylvania Public Utility Commission Website: <http://puc.paonline.com>

RHODE ISLAND

Legislative/Regulatory Status: In August 1996, the Governor signed the Utility Restructuring Act (URA) of 1996 (RI 96-H8124B). Each electric distribution company was required to file a restructuring plan by January 1, 1997. The Act phased-in retail competition starting with large commercial and industrial customers in July 1997 and finishing with residential customers by January 1998.

SBC Scope: The wires charge is designated for energy efficiency and renewable energy. The Rhode Island Public Utilities Commission (PUC) is charged with implementing the details. Renewable energy is defined as wind, solar, sustainable biomass, and hydro from already existing dams under 100 MW. Fuel cells are an acceptable expenditure of energy efficiency funds along with more traditional approaches. The PUC's tentative plan is to divide the renewable energy portion between buy-down programs for marginally economic renewable development efforts and for R&D aimed at "very near commercialization" renewable energy technologies.

Energy efficiency programs will continue as in prior years. Low-income programs will continue to be funded in the same manner as currently and are unaffected by restructuring. Consumer education is also being funded through the public benefits charge.

SBC Funding: The Act requires a minimum floor of 2.3 mills/kWh surcharge (approximately 2.2 percent of revenues) for energy efficiency and renewables. This would raise approximately \$76 million over 5 years. Actual budgeting has been somewhat higher than the minimum thus far, due to carryover of unspent funds from prior years.

In December 1999, the PUC approved Blackstone Valley Electric Company's (BVE) (Docket No. 2153), Newport Electric Corporation's (NEC) (Docket No. 2152), and Narragansett Electric Company's (Docket No. 1939) proposed stipulations (signed by the companies, the Division of Public Utilities and Carriers [the Division], the Conservation Law Foundation [CLF], and The Energy Council—Rhode Island [TEC—RI]) approving the companies' Conservation and Load Management Programs for the year 2000. The approved budgets were \$5,020,884 for BVE, \$2,416,333 for NEC, and \$18,692,429 for Narragansett Electric.

SBC Administration and Oversight: Energy efficiency programs will be administered through utility-based collaboratives and use several allocation methods, including an RFP process, to select contractors. In addition to utility representatives, these collaboratives include members from the Division, TEC-RI and CLF.

Allocation of renewable energy funds will be done through several methods, including an RFP process, and will be administered by the statewide Renewables Collaborative. The statewide Renewables Collaborative includes representatives of the participating utilities, the Division, TEC-RI, CLF, and the State Energy Office.

SBC Duration: The Commission may increase the wires charge during the first 5 years but not decrease the charge. After 5 years, the Commission will re-evaluate the need for, and size of, the charge.

Related Rules/Legislation: None.

Renewables Portfolio Standard: None.

Disclosure: PUC officials are actively participating in the New England Disclosure Project that is pursuing a multi-state disclosure standard.

Other Pertinent Information: Net metering has been allowed by the Commission, at the companies' request, for generation less than 25 kV. Interconnection standards are based on UL and NEC codes.

The Act requires that each electric distribution company provide Standard Offer Service no more than 3 months after retail access is available to 40 percent of the kilowatt-hour sales in New England. The URA stipulates that the Standard Offer Service shall be priced such that the average revenue per kilowatt-hour paid by the customer (including transmission and transition charges) shall equal the price paid in the 12-month period ending September 30, 1996, adjusted for the consumer price index. Standard Offer Service must be available for customers through 2009.

The URA also requires each electric distribution company to arrange for a Provider of Last Resort for customers who haven't selected a provider. The distribution companies are to periodically solicit bids from nonregulated power producers at market price to provide this service. The Commission must approve terms and conditions offered by the Provider of Last Resort.

Sources: Rhode Island 96-H8124B, Rhode Island Utility Restructuring Act, 1996.

Rhode Island Public Utilities Commission Website: <http://ripuc.org>

TEXAS

Legislative/Regulatory Status: The Governor signed SB 7, an Act relating to electric utility restructuring in Texas, in July 1999. The Act instructs each electric utility to unbundle its services and cease to offer services available in the competitive market on or before September 1, 2000. It also requires that utilities structurally unbundle into three separate legal entities: a generation company; a transmission and distribution company that will remain regulated; and a retail electric provider. Plans for unbundling of services and business separation are to be submitted to the Public Utility Commission of Texas (PUCT) by January 10, 2000. By January 1, 2002, retail access will be available to all customers, at which time electric utilities' affiliated retail energy providers (REPs) will offer residential and small commercial customers retail electric service at rates that are 6 percent less than the utility's September 1, 1999 tariffed rates. These rates will constitute the "price to beat," which will be offered for 5 years until January 1, 2007, or until the incumbent affiliate has lost 40 percent of its market share, whichever comes first.

SBC Scope: The system benefit fund will provide funding for programs to assist low-income customers, customer education programs, and a school funding loss mechanism. The Commission shall adopt rules for electric providers to offer a reduced rate 10-20 percent less than the standard retail service package offered by the provider of last resort (see below) to eligible low-income customers. Funding for current low-income programs must remain at existing levels until customer choice is available in a given area. On or before January 1, 2001, PUCT shall develop and implement a neutral and non-promotional educational program to provide all customers with the information necessary to select an electric provider. (Energy efficiency is mandated through a different mechanism — see **Other Pertinent Information** on the next page).

SBC Funding: A nonbypassable fee set by the Commission and assessed at the meter finances the system benefit fund. The amount of the fee is not to exceed \$0.050 per megawatt-hour (MWh) (except between January 1, 2002 and December 31, 2006, when the Commission may set the fee up to \$0.65/MWh to fund the required 10 percent reduction off of the standard offer package).

SBC Administration and Oversight: PUCT will administer the system benefit fund. Annually, the commission will review and approve system benefit fund accounts, projected revenue requirements, and nonbypassable fees.

SBC Duration: The SBC will commence January 2002 and will continue for an indefinite period.

Related Rules/Legislation: PUCT, Renewable Energy Mandate, Rule 25.173, December 20, 1999.

Renewables Portfolio Standard: The final version of Texas' Renewable Energy Mandate, Rule 25.173, stipulates that 2,000 MW of new renewable resources must be built in Texas by 2009. Intermediate goals are provided requiring an addition of 400 MW by 2003, another 450

MW by 2005, another 550 MW by 2007, and another 600 MW by 2009. A Renewable Credits Trading Program will start January 1, 2002 and continue through 2019. Retailers with insufficient credits are subject to a penalty of \$50/MWh or 200 percent of the average cost of credits traded during the year. Renewable energy includes solar, wind, geothermal, hydroelectric, wave, tidal energy, and biomass technologies.

Disclosure: None.

Other Pertinent Information: The Act states that electric utilities will administer market-neutral, nondiscriminatory, electric energy efficiency programs providing incentives sufficient for retail electric providers and competitive energy service providers to acquire additional cost-effective energy efficiency equivalent to at least 10 percent of the electric utility's annual growth in demand. Both "standard offer" and "market transformation" type programs are eligible. Modifications were made to the PUCT staff's proposed energy efficiency rules at the February 10, 2000 open Commission meeting and a follow-up memo was distributed to the Commissioners and interested parties on February 22 documenting those changes. The Commission will provide oversight to ensure that the energy efficiency goal is met by January 1, 2004.

The Act designates the Texas Natural Resource Conservation Commission to develop rules for the permitting of grandfathered utility electric generating facilities. These rules will provide, by region, for the allocation of emissions allowances of nitrogen oxides and sulphur dioxides among electric facilities and for facilities to trade emissions allowances for those contaminants. Beginning May 1, 2003, total annual nitrogen oxide emissions for all grandfathered utility electric generating facilities existing on January 1, 1999 may not exceed levels equal to 50 percent of the total emissions of that pollutant during 1997. A similar cap of 75 percent was set for sulphur dioxides.

No later than June 1, 2001, PUCT will select providers of last resort that will offer a basic standard retail service package to all retail electric customers at fixed, nondiscountable rates approved by the Commission. Customers that do not choose will continue to be served by the incumbent utility's REP; the provider of last resort will not be a default provider for these customers. The provider of last resort will have an obligation to serve customers who are terminated by their REP of choice or who, for other reasons, are no longer served by their REP of choice, in order to ensure no service interruption for these customers. The PUCT will select the provider of last resort through an auction process.

The City of Austin, through the Utility Photovoltaic Group's (UPVG) TEAM-UP program, is offering PV at a price premium in 100 W increments. Texas Utilities is offering a fund for voluntary contributions for the development of renewables.

Central & Southwest Company is reported to be investing in a large wind project of as much as 75 MW.

Sources: Texas SB 7, An Act Relating to Electric Utility Restructuring, July 1999; PUCT Renewable Energy Mandate, Rule 25.173, December 20, 1999.

Public Utility Commission of Texas' Website: www.puc.state.tx.us

VERMONT

Legislative/Regulatory Status: In December 1996, the Vermont Public Service Board (PSB) issued a restructuring Report and Order under Docket No. 5854 that outlined broad goals and objectives. Since then, both the PSB and the Vermont Department of Public Service (DPS) have released several specific recommendations on restructuring. Legislation calling for restructuring was introduced in both 1997 and 1998, but was not passed into law. In 1997, the Senate passed S 62, An Act Relating to Electric Industry Restructuring and Electric Price Stabilization, but the bill did not make it to a vote in the House. In 1998, three House bills regarding electric restructuring were introduced but died when the legislation session ended (H 663, H 675 and H 701).

In June 1999, the Governor signed S 137 giving the PSB authority to approve the creation of an Energy Efficiency Utility (EEU), a state-sponsored non-profit to offer statewide efficiency services to residential, commercial, dairy, and industrial customers. On September 30, 1999, the PSB approved the EEU after the PSB and the state's 22 electric utilities reached consensus in a Memorandum of Understanding (Docket No. 5980). The EEU will satisfy the distribution companies' energy efficiency program obligations, although companies may implement their own programs in addition to the core programs offered by the EEU if they wish. The EEU will begin to offer services in early 2000 despite the absence of restructuring legislation.

SBC Scope: The EEU budget includes programs for residential, commercial, dairy, and industrial customers. Core programs will target missed opportunities in new construction, promote market opportunities and efficient products, and address the special concerns of dairy farmers and low-income customers.

SBC Funding: The EEU budget will be funded through a separately stated, non-bypassable, volumetric system benefits charge on the customers' electric bills. S 137 stipulates that the charge shall not exceed a total of \$17.5 million per year. The MOU states that at no time over the 5-year period (2000-2004) should the customer contribution exceed the equivalent of 2.9 mills/kWh on total statewide sales. The amount paid by individual customers varies by utility. The charge paid by Central Vermont Public Service's and Green Mountain Power's customers, for example, will be approximately 1.5 percent of their bills. The charge for customers of most other utilities will be approximately 2 percent of their bills. Burlington Electric customers will pay for efficiency services as part of their electric rates and will not pay a separate charge. Based on the data in Attachment B of the MOU, the average annual funding for the EEU programs over the 5-year period is approximately \$13 million per year.

SBC Administration and Oversight: Parties reached agreement in the MOU that a fiscal agent, a contract administrator, and an advisory committee would be selected by the PSB to help oversee the EEU. A Burlington-based consortium won the competitive bid for the role as the EEU. As the EEU, the consortium will be responsible for the statewide implementation of Vermont's energy efficiency programs either directly or through subcontracts. The fiscal agent will receive the monies collected by the electric distribution companies and disburse the funding to the EEU. The contract administrator will assist the PSB in managing the

details of the contract between the PSB and the EEU. Members of the advisory committee representing the distribution utilities, consumers, DPS, etc., will offer input on program design, re-allocation of funds within programs, and any other issues that will assist the PSB.

SBC Duration: The charge to cover the EEU began February 2000 and will continue through December 31, 2004.

Related Rules/Legislation: Vermont PSB, Docket No. 5854, Report and Order, December 30, 1996. Outlined goals and objectives of electric restructuring in Vermont.

Vermont H 605, An Act Relating to Issuance of Permits for Self-Generation of Electricity, April 1998.

Vermont S 137, An Act Relating to the Ability of the Public Service Board to Require that Energy Conservation Service be Developed and Provided by an Entity Appointed by the Board, June 1, 1999.

Vermont PSB, Docket No. 5980, Memorandum of Understanding, September 30, 1999. An agreement among electric distribution companies and the PSB that the Board should approve and order, in accordance with the terms of the MOU, that a single entity, the EEU, deliver statewide energy efficiency programs.

Renewables Portfolio Standard: None at this time.

Disclosure: None at this time.

Other Pertinent Information: A net metering bill, H 605, was passed in April 1998. The Act defines eligible customer-generators as the following: (1) from the residential sector with a capacity of 15 kW or less or a farm system with a capacity of 100 kW or less; (2) who use a PV array, wind turbine, or fuel cell as their fuel source, or is a farm system; (3) who generate electricity primarily to offset all or part of their own power requirements; (4) on their own premises; and (5) who are interconnected in parallel with an electric company's distribution facilities. The customer-generators will be billed if they use more electricity than they generate and credited if they generate more electricity than they use unless the electricity generated by the customer exceeds the electricity supplied to the customer during the 12-month net metering period. In this case, any remaining unused kilowatt-hour credit accumulated during the previous year will revert to the electric company without compensation to the customer. The electric company must make net metering available to customer-generators until the cumulative generating capacity of the net metering systems is equal to 1 percent of the distribution company's peak demand during 1996.

Sources: Vermont PSB Docket No. 5854, Report and Order, December 30, 1996; Vermont S 62, An Act Relating to Electric Industry Restructuring and Electric Price Stabilization, 1997; Vermont H 605, An Act Relating to Issuance of Permits for Self-Generation of Electricity, April 1998; Vermont DPS, William Steinhurst, New Developments in Electric Industry Restructuring: Vermont—Buying and Selling Electricity in the Northeast, June 4, 1998; The

Transition Working Group and the Vermont Department of Public Service, Energy Efficiency Utility Transition Plan, June 1999; Vermont S 137, An Act Relating to the Ability of the Public Service Board to Require that Energy Conservation Service be Developed and Provided by an Entity Appointed by the Board, June 1, 1999; Vermont PSB Docket No. 5980, Memorandum of Understanding, September 30, 1999; Press Release, Vermont Public Service Board Approves Energy Efficiency Utility, September 30, 1999.

Vermont Public Service Board's Website: www.state.vt.us/psd

VIRGINIA

Legislative/Regulatory Status: In March 1999, Governor Gilmore signed the Virginia Electric Utility Restructuring Act (SB 1269), which became effective July 1, 1999. In accordance with the Act, retail competition for electric generation will be phased-in between January 1, 2002 and January 1, 2004.

The Act established a Legislative Transition Task Force (LTTF), made up of six members from the House of Delegates and four members from the Senate, to serve from 1999 through 2005. The LTTF is directed to examine several important restructuring issues during the transition to retail competition, including “energy assistance programs for low-income households; renewable energy programs; and energy efficiency programs.”

In addition, a 17-member consumer advisory board (CAB) was established by the Act to assist the LTTF. Significantly, the LTTF directed the CAB in 1999 to examine energy efficiency, renewable energy portfolio standards, and low-income energy assistance and efficiency programs. The CAB convened several meetings in 1999, and examined legislative proposals concerning renewables portfolio standards, as well as proposed legislation establishing an SBC to fund renewables, energy efficiency, and weatherization assistance programs. However, none of these measures were endorsed by the CAB or LTTF, and no legislation adopting an SBC or renewables portfolio standards has been introduced in the Virginia General Assembly’s 2000 Session. The CAB’s studies of these issues are slated to continue in 2000.

SBC Scope: Low-income programs, energy efficiency programs, consumer education programs, and a renewables portfolio standard are all under consideration as possible activities to be covered by an SBC.

SBC Funding: SBC funding is still under discussion.

SBC Administration and Oversight: SBC administration is still under discussion.

SBC Duration: SBC duration is still under discussion.

Related Rules/Legislation: Virginia State Corporation Commission (SCC), Case No. PUE950089, Ex Parte: In the Matter of Reviewing and Considering Commission Policy regarding Restructuring of and competition in the Electric Utility Industry, December 1, 1997.

Virginia HB 1172, An Act to Establish a Schedule for Virginia's Transition to Retail Competition in the Electric Utility Industry, effective July 1998.

Renewables Portfolio Standard: The adoption of a Renewables Portfolio Standard is still under discussion.

Disclosure: Disclosure of price, fuel mix, emissions, cancellation rights, and toll-free numbers included in marketing materials and billings are still under discussion. Disclosure of fuel mix and emissions by generation suppliers is also still being discussed.

Other Pertinent Information: The Act directs the SCC to determine the components of default service and to establish at least one default service program that will be available to all customers by the time customer choice is accessible. The SCC is also responsible for designating default providers and determining the rates for default service.

The Act required the SCC to develop a comprehensive consumer education program to prepare Virginia's electricity consumers for retail choice. That plan was presented to the LTTF in 1999, and incorporated into SB 585, a bill embodying modifications and additions to the Act recommended by the LTTF and introduced in the Virginia General Assembly's 2000 Session.

The SCC's proposed 5-year consumer education plan will furnish consumers information about retail choice through a variety of methods including community-based organizations, state agencies, distribution companies' billings, newspapers, radio, television, a toll-free number, and a "Virginia Energy Choice" website. During 2000, the SCC will receive proposals from qualified bidders for consulting services, research, public relations, and marketing expertise. The proposed plan is projected to cost an estimated \$6 million per year and will be funded through the SCC's existing Special Revenue Regulatory Tax assessed against utilities regulated by the Commission.

The Act also directs the SCC to establish a net metering program by July 1, 2000. The Act defines eligible customer-generators as the following: (1) from the residential sector with a capacity of 10 kW or less or from the nonresidential sector with a capacity of 25 kW or less; (2) who use solar, wind, or hydro as their total fuel source; (3) who generate electricity primarily to offset all or part of their own power requirements; (4) who are on their own premises; and (5) who are interconnected in parallel with an electric company's transmission and distribution facilities. Under the Act, customer-generators will be billed if they use more electricity than they generate, and credited if they generate more electricity than they use. If the electricity generated by a customer-generator exceeds the electricity supplied to the customer during a consecutive 12-month period, the customer-generator can be paid for the excess, but only if the customer-generator and the entity agreeing to purchase the excess power have signed a purchase power contract. The Act limits each electric distribution company's net metering obligation to 0.1 percent of the distribution company's peak demand forecast for the previous year in Virginia.

Sources: Virginia SCC, Draft Working Model for Restructuring the Electric Utility Industry in Virginia, November 1997; Timeline to Competition, from the Virginia SCC website, not dated; Virginia SCC, Report to the General Assembly—Consumer Education Plan, December 1, 1999; Virginia SCC, Staff Report and Proposed Rules, Ex Parte: In the Matter of Establishing Regulations for Net Energy Metering Pursuant to Va. Code s. 56-594, Case No. PUE990788, December 22, 1999; Report on the Joint Subcommittee Studying

Restructuring of the Electric Utility Industry to the Governor and the General Assembly of Virginia, Senate Document No. 34, Commonwealth of Virginia, Richmond, 1999.

Virginia's State Corporation Commission's Website: www.v.state.va.us/scc

WISCONSIN

Legislative/Regulatory Status: Although Wisconsin has not restructured its electric industry, it has taken a number of actions related to utility regulation and public benefits. In February 1996, the Wisconsin Public Service Commission (PSC) issued a 32-step plan to restructure the state's electric industry by 2000 or 2001. The Commission subsequently revised the 32-step plan into a 7-step plan, although the restructuring plan has not been implemented. On April 28, 1998, the Governor signed a "reliability bill" (Act 204), which eased constraints on generation and transmission approval, opened the way to construction of private merchant plants in the state, and took steps toward facilitating an ISO. In October 1999, the Governor signed the New Law on Electric Utility Regulation, better known as the "Reliability 2000" Legislation. This new law is made up of the parts of the 1999 Wisconsin Act 9 (the 1999-2001 Biennial Budget Act) relating to public utility holding companies, electric power transmission, public benefits, and other aspects of electric regulation.

SBC Scope: Energy efficiency, renewable energy, low-income, and environmental-oriented R&D are all addressed in Reliability 2000. The new law stipulates that priority will be given to energy efficiency program proposals that are directed at (1) energy efficiency market sectors that are least competitive and (2) environmental protection, electric system reliability, and rural economic development. Renewables programs focus on renewables education, the use of renewable resources by customers, and research technology transfers. The low-income programs include weatherization and other energy efficiency services, electric bill payment assistance, and the early identification and prevention of energy crises.

SBC Funding: Each electric utility shall charge each customer a public benefits fee and pay the fees to the Wisconsin Department of Administration (DOA). The DOA, in consultation with the Council on Utility Public Benefits, will determine the amount of the fee. The Council on Utility Public Benefits is made up of a total of 11 members, each appointed by the Governor, various congresspersons, the secretary of Department of Natural Resources (DNR), the secretary of the DOA, and the chairperson of the PSC. The public benefit fees shall be considered trust funds of the DOA and not income of the electric utility. The fees may not be based on kilowatt-hour consumption and must allow an electric provider to recover its costs. The electric provider may charge residential customers up to 70 percent of the total amount of fees. The SBC is capped at 3 percent of a customer's total bill for the period, or \$750 per month, whichever is less. Utilities must include the fee in the general electricity charges on the bill rather than presenting the fee as a line item. The utilities must provide customers with an annual statement indicating annual public benefit fees paid and programs covered by the charges.

New low-income funding in fiscal year 1999-2000 shall, when added to 50 percent of the estimated public benefits fees charged by municipal utilities and retail electric cooperatives, equal \$24 million. In each fiscal year that follows, in addition to the 50 percent of the estimated low-income program fees charged by municipals and cooperatives, federal (approximately \$43.3 million annually for the next 2 years) and continuing major utility low-income funding should be considered in the calculation of the total low-income program budget. The new law directs the DOA to ensure that an amount equal to 47 percent of all

low-income public benefit funds is expended on weatherization and energy efficiency services.

New energy efficiency and renewable resource funding for fiscal year 1999-2000 shall, when added to 50 percent of the estimated public benefits fees charged by municipal utilities and retail electric cooperatives, equal \$20 million. This funding is incremental to the existing utility energy efficiency funding described below in **Other Pertinent Information**. The total budget for subsequent years shall be calculated similarly. The budget will be reduced if individual programs are discontinued. Four and one-half percent of the energy program funds must be spent on renewables programs and 1.75 percent of the funds must be used for R&D proposals regarding environmental impacts of the electric industry.

Currently, the U.S. Environmental Protection Agency's promulgation of a state implementation plan (SIP) to control pollutants is under appeal and the U.S. Court of Appeals has not issued a final decision. The DNR is the state agency in Wisconsin responsible for developing the SIP if a federal order is issued. If the SIP is federally mandated, the new law directs the DNR to contact the DOA to request a transfer of \$2.5 million (or a pre-determined lesser amount) from the public benefits fund to the air quality improvement fund. These funds will be added to the \$2.4 million per year from PSC utility assessments. The DOA will award grants from the \$4.9 million air quality improvement fund to eligible electric providers to assist them in complying with state or federal laws to reduce nitrogen oxide emissions.

SBC Administration and Oversight: The DOA will design and administer the programs in consultation with the Council on Utility Public Benefits. The DOA will contract with community action agencies, nonprofit organizations, or local government to implement the low-income programs and with one or more nonprofit organizations to implement the energy efficiency programs.

SBC Duration: The initial period of authorization is 5 years. The policy will be revisited at that point.

Related Rules/Legislation: Wisconsin PSC, Public Benefits Policy Docket (05-BU-100), 1997.

Renewables Portfolio Standard: The new law directs each electric provider to offer its retail customers renewable energy in at least the following percentages of its total retail electric sales (by December 31 of each year), either directly or through renewable resource credits from another electric provider: 2001—0.5 percent, 2003—0.85 percent, 2005—1.2 percent, 2007—1.55 percent, 2009—1.9 percent, and 2011—2.2 percent. Renewable energy is defined as fuel cells using a renewable fuel, tidal or wave action, solar thermal electric or PV energy, wind power, geothermal technology, biomass, hydroelectric (< 60 MW), and any other resource designated as a renewable resource by the PSC by rule. Electric utilities may recover their costs for renewable energy by allocating the costs equally to all customers on a kilowatt-hour basis and/or establishing alternative price structures, including price structures where customers pay a premium for renewable energy. A provider that provides renewable

energy in excess to the required percentages can either sell the credits to another provider or use the credit in a subsequent year. The new law directs the PSC to promulgate rules to establish requirements for the use of credits. Each utility must submit an annual report to the DOA documenting its compliance with the RPS. Submitting a certification with false or misleading information or failing to comply with the required percentages of renewable energy shall result in penalties not less than \$5,000 and no more than \$500,000.

Disclosure: None.

Other Pertinent Information: The new law directs the PSC to promulgate rules establishing requirements and procedures for the development of: (1) standards to determine the necessity of preparing an environmental impact statement; (2) adequate opportunities for interested persons to be heard on environmental impact statements; and (3) deadlines that allow thorough review on environmental issues without imposing unnecessary delays in addressing the need for additional electric transmission capacity in the state.

The new law specifies that in 2000, 2001, and 2002, the PSC shall require each Wisconsin utility to spend a decreasing portion of their annual budgets (compared to their 1998 budget levels) on existing low-income, energy efficiency, environmental R&D, and renewable resource programs. The remaining portion of the collected money shall be deposited into the public benefits fund. Until 2002, utilities have the option to spend collected moneys to administer their existing programs. After 2002, the entire amount will be deposited into the public benefit fund. Existing funding represents an estimated \$40.2 million annually for low-income programs and \$63.6 million annually for energy programs.

If the U.S. Court of Appeal's final ruling allows the U.S. Environmental Protection Agency to mandate the state implementation plans to control pollutants, the new law directs the DNR to ensure that at least 866 tons of total annual reductions in nitrogen oxide emissions are achieved through the use of renewable energy and/or low-income weatherization and energy conservation measures. In addition, the new law puts limits on the nitrogen oxide reductions that the DNR can require each summer by electric plants in various regions in the state. The new law also instructs the DOA to develop a trading program for the purchase, sale, and transfer of nitrogen oxide emissions credits.

The Wisconsin PSC has approved an experimental green pricing rate for Wisconsin Electric under their "Energy for Tomorrow" program, which already has 5,000 subscribers. Consumers are able to choose to purchase 25 percent, 50 percent, or 100 percent of their power in support of further renewables development for an additional \$0.02/kWh.

Wisconsin Act 204 of 1998 requires the utilities in eastern Wisconsin to develop 50 MW of renewable energy by December 31, 2000.

Sources: Wisconsin PSC, 32-Step Plan, February 26, 1996; Wisconsin PSC, Public Benefits Policy Docket (05-BU-100), 1997; Wisconsin AB 389, Text of the New Law on Electric Utility Regulation—The "Reliability 2000" Legislation (Part of 1999 Wisconsin Act 9—the Biennial 1999-2000 Biennial Budget Act), December 1999; Wisconsin Legislative Council

Staff, John Stolzenberg, Memorandum, Overview of New Law on Electric Utility Regulation—The ‘Reliability 2000’ Legislation (Part of 1999 Wisconsin Act 9), December 2, 1999; Wisconsin Legislative Council Staff, Information Memorandum 99-6, New Law on Electric Utility Regulation—The ‘Reliability 2000’ Legislation (Part of 1999 Wisconsin Act 9), Wisconsin Legislative Council Staff, December 2, 1999.

Wisconsin Public Service Commission’s Website: www.psc.state.wi.us

