



Bureau of  
Energy Resources,  
United States  
Department of State



National  
Association of  
Regulatory  
Utility  
Commissioners

# Consumer “Bill of Rights” in Vermont

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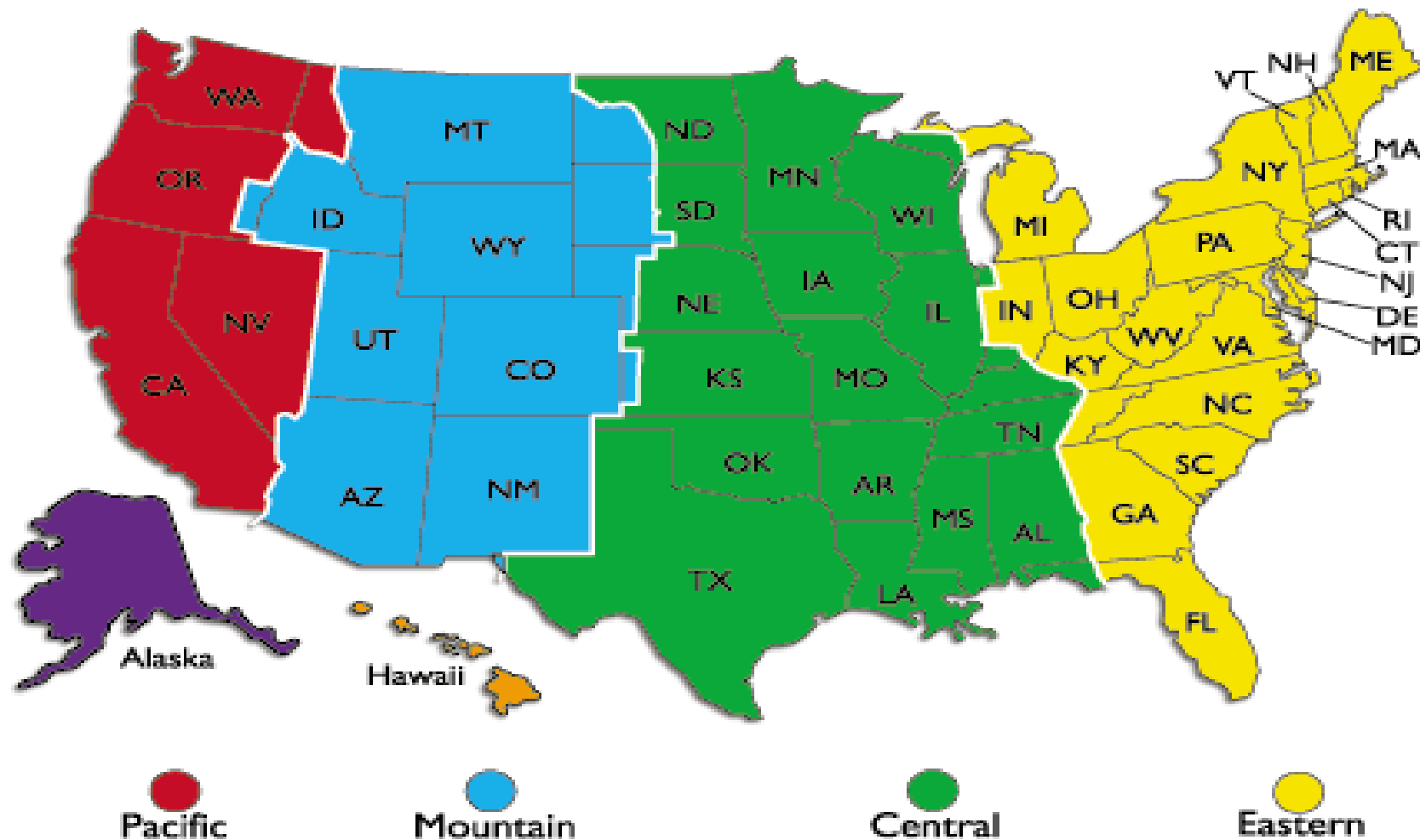


## Overview of Presentation

- Vermont: A little information about a little state
- The “Bill of Rights” concept in Vermont utility regulation
- The agency of consumers in Vermont utility regulation
- Consumers in action Vermont utility regulation
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- Lessons from the telecom consumer “Bill of Rights” in Vermont



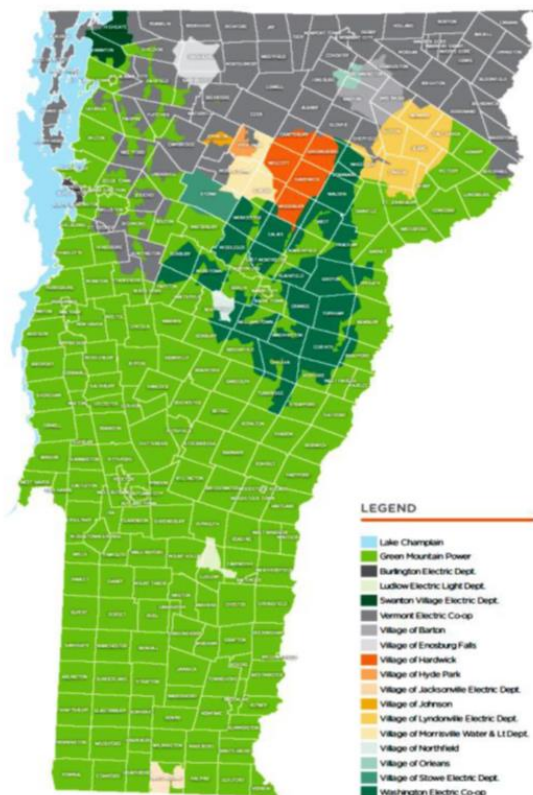
## Vermont: a little information about a little state





## Vermont: A little information about a little state

Vermont Electric Utilities Service Territory Map, 2012



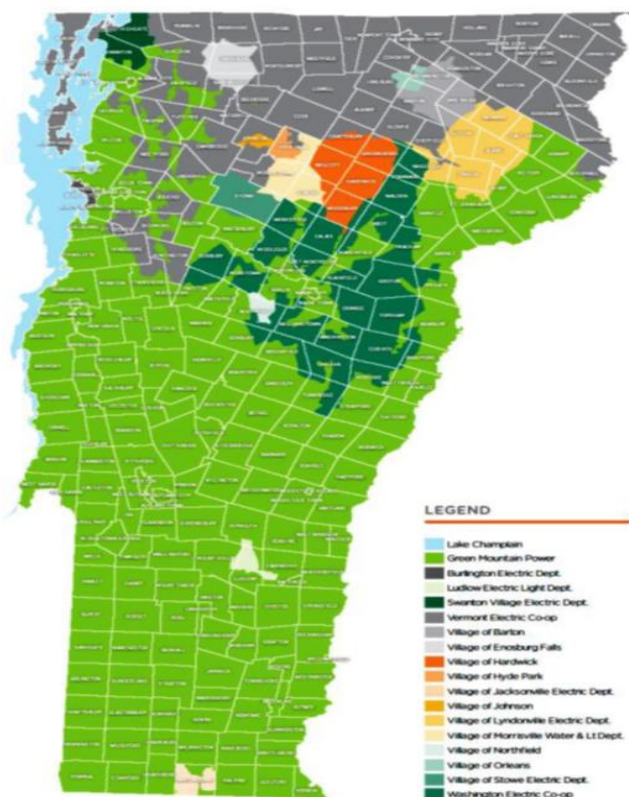
## Vermonters are independent (stubborn?)

- Independent Republic founded in 1777
  - Joined the U.S. in 1791
- 625,000 residents (very long winters!)
- Strong traditions of “home rule” and environmental protection
- Yankee “waste not - want not” principle
- Vermonters pioneered a lot of energy efficiency regulation in the U.S.



## Vermont: A little information about a little state

Vermont Electric Utilities Service Territory Map, 2012

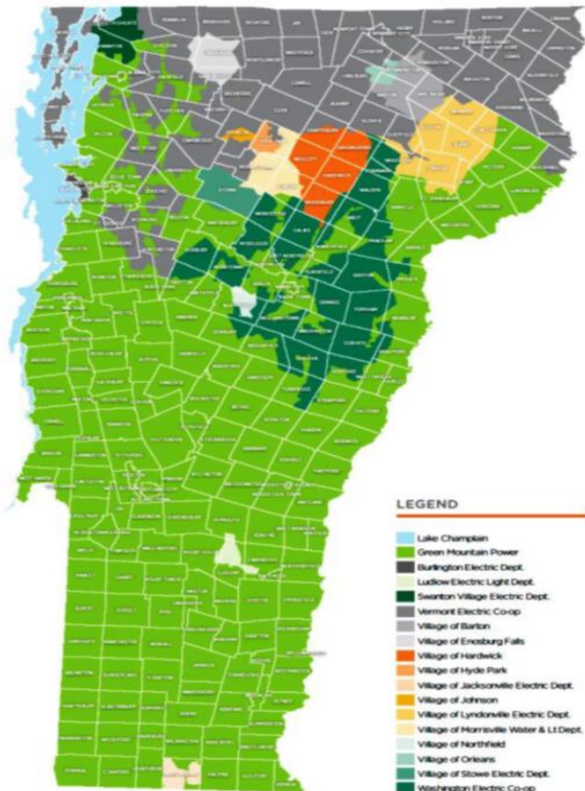


- Vermont electrification began as hydro power
  - Mills in small villages on rivers
    - In 1940, 90% of electricity needs supplied by hydro power
    - Today, Vermont is trying to revive its hydro power generation as a source of renewable energy
    - Today, Vermont is building a lot of solar generation (and Vermont is very cloudy!)



## Vermont: A little information about a little state

Vermont Electric Utilities Service Territory Map, 2012

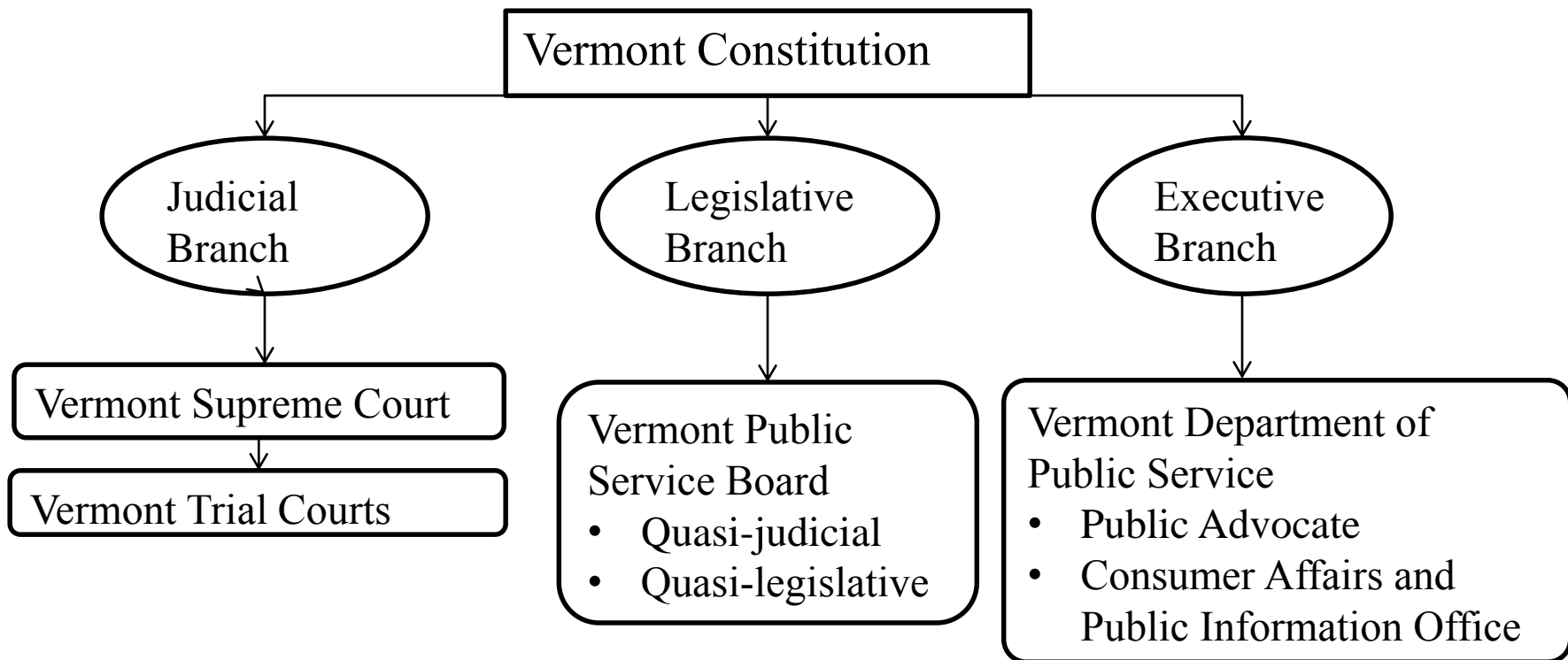


Today, Vermont has:

- 1 large private electric utility
  - Service territory covers 75% of Vermont
- 2 Co-operatively-owned electric utilities
- 15 small independent electric utilities
  - Vermont Public Power Supply Authority (VPPSA) helps small independent utilities achieve economies of scale



## Vermont: A little information about a little state



- The Department is independent of the Board
- The Department advocates in Board proceedings
- The Board's orders are directly appealable to the Vermont Supreme Court





## The “Bill of Rights” concept in Vermont utility regulation

- What is a “Bill of Rights”?
  - A document that states fundamental rights
    - Example: The first 10 amendments to the U.S. Constitution
      - Freedom of speech, assembly, press, religion
      - Freedom from unwarranted search and seizure
      - Right to due process of law when accused of a crime
  - Reflects the foundation of a relationship
    - Mutuality and interdependence
    - Rights imply responsibility





## The “Bill of Rights” concept in Vermont utility regulation

- Important characteristics of a “Bill of Rights”
  - Rights apply broadly to affected persons
    - Without discrimination
  - Rights are described in plain language
    - Widely published (“I know my rights!”)



## The "Bill of Rights" concept in Vermont regulation

"Consumer rights" are central to Vermont's legal framework for utility regulation



## The “Bill of Rights” concept in Vermont regulation

### Consumer Right to:

- Obtain public information
- File a complaint
- Public Advocate representation
- Just and reasonable rates
- Adequate service quality
- Right of way maintenance notice
- Billing information
- Deposit safeguards and return
- Disconnection safeguards
- Telecom consumer “Bill of Rights”

### Vermont legal authority:

- 1 VSA §315 et seq.
- PSB Rule 2.300; 30 VSA §208
- 30 VSA §2(a)(6),(b),(f); 218(b)
- 30 VSA §218(a)
- 30 VSA §219; 30 VSA 209
- PSB Rule 3.620
- PSB Rule 4.200 (**EAC Rule 2.7**)
- PSB Rule 3.200 (**EAC Rule 2.9**)
- PSB Rule 3.300 (**EAC 2.10**)
- PSB Rule 7.605



## The "Bill of Rights" concept in Vermont regulation

- **Subchapter 003 : Access To Public Records**
- **§ 315. Statement of policy**
  - It is the policy of this subchapter to provide for free and open examination of records consistent with Chapter I, Article 6 of the Vermont Constitution. **Officers of government are trustees and servants of the people and it is in the public interest to enable any person to review and criticize their decisions even though such examination may cause inconvenience or embarrassment.** All people, however, have a right to privacy in their personal and economic pursuits, which ought to be protected unless specific information is needed to review the action of a governmental officer. Consistent with these principles, the General Assembly hereby declares that **certain public records shall be made available to any person** as hereinafter provided. To that end, the provisions of this subchapter shall be liberally construed to implement this policy, and the burden of proof shall be on the public agency to sustain its action. (Added 1975, No. 231 (Adj. Sess.), § 1; amended 2011, No. 59,



## The “Bill of Rights” concept in Vermont utility regulation

- For a “Bill of Rights” to be meaningful, there must be:
  - Public awareness (“I know my rights!”)
  - Common understanding (“You know and I know my rights!”)
  - Predictable application (“When my neighbor had this problem ...”)
  - Credible recourse (“I’ll see you at the hearing ...”)
  - Published outcomes (“We all know how it ended...”)



## The “Bill of Rights” concept in Vermont utility regulation

The “Bill of Rights” concept in regulation fosters a sense of partnership and accountability among regulators, utilities and consumers



## **The agency of consumers in Vermont regulation**

- What is utility consumer “agency”?
- Why is consumer agency necessary in Vermont?
- What is the role of consumer agency in Vermont?





## The agency of consumers in Vermont regulation

What is a consumer “agency”?

### **PRIDE**

- **P**articipation (“I’d like to talk to your boss about this...”)
- **R**esponsibility (“Can we afford this service on these terms?”)
- **I**nclusion (“Public utility service is about me too!”)
- **D**etermination (“I insist on having a say in energy policy”)
- **E**ngagement (“Here’s the issue – what’s your view?”)

**Consumer agency is a regulatory principal in Vermont**



## The agency of consumers in Vermont regulation

Why is consumer agency necessary in Vermont?

- It is a little state with limited resources
- Consumers are experts on:
  - Where electric service is needed
  - How electric service is used
  - Who is and who is not successfully meeting their needs and wishes



## The agency of consumers in Vermont regulation

What is the role of consumer agency in Vermont?

- Consumers provide regulatory signals from outside
  - Identify problems and stimulate redress
  - Improve policies and generate new ideas
- Effective regulation in Vermont depends on consumers acting on their sense of **PRIDE**



## Consumers in action in Vermont utility regulation

### Vermont's regulatory community

- Consumers
- Utilities
  - Customer service (manager and staff)
  - Elected officials
- Advocacy groups
  - AARP, CLF, AIV, *ad hoc* groups (i.e., a group of consumers!)
- Department of Public Service
  - Public Advocacy Office (Public Advocate and six attorneys)
  - Consumer Affairs and Public Information Office (manager and staff)
- Vermont Public Service Board
- Legislature
- Vermont Attorney General
- Judiciary



## Consumers in action in Vermont utility regulation

- Public information requests
- Public comments and hearings
- Case-by-case complaints
- Rate cases (intervention)
- Regulatory investigations
- Consumer “Bill of Rights” for Vermont telecom utilities
- Administrative Rulemaking



## Consumers in action in Vermont utility regulation

- The most common form of consumer action:
  - Public information requests
  - Public comments and hearings
  - Case-by-case complaints



## Consumers in action in Vermont utility regulation

- Rate cases
  - Specific issues (for example, excessive outages)
  - SQRPs\* for Vermont electric utilities
    - Investigation into VEC failure to meet measures in SQRP was opened because of consumer actions:
      - Consumers **complained** in rate case and rate design proceedings
      - Consumer **reported** service quality incidents
      - Consumer group **petitioned** to change utility due to reliability problems

\*“SQRPs” stands for “Service Quality & Reliability Performance” plans that set out utility-specific monitoring and reporting obligations





## Consumers in action in Vermont utility regulation

### Regulatory investigations

- Vermont Department of Public Service
  - Independent authority to supervise utilities (e.g., enforcement actions)
  - Independent authority develop strategic plans and public policy
- Vermont Public Service Board
  - Informal “workshops”
  - Formal “non-contested” proceedings
  - Formal contested proceedings (e.g., enforcement actions)



## Consumers in action in Vermont utility regulation

### Consumer “Bill of Rights” for Vermont telecom utilities

- Developed in 1999 in Docket 5903
- Public Service Board investigation
  - Board largely adopted Public Advocate’s position
    - Public Advocate’s position informed by comments and complaints from consumers and the public

### Followed in 2006 by Administrative Rulemaking (Rule 7.605)

- Violations are punishable with monetary penalties under 30 VSA §30 (more about that on Friday!)



## Consumers in action in Vermont utility regulation

### 7.605 Consumer Bill of Rights

(A) Vermont telecommunications consumers have the following rights:

- (1) The right to know and control what one is buying.
- (2) The right to know from whom one is buying.
- (3) The right to know the full price of goods and services purchased.
- (4) The right to reasonable payment terms.
- (5) The right to fair treatment.
- (6) The right to impartial resolution of disputes.
- (7) The right to reasonable compensation for poor service quality.
- (8) The right of access to basic local exchange service, as long as basic local exchange service charges are paid, regardless of whether they have paid any charges for services other than basic local exchange services.
- (9) The right to be free of improper discrimination in prices, terms, conditions, or offers.
- (10) The right to privacy by controlling the release of information about oneself and one's calling patterns and by controlling unreasonable intrusions upon privacy.
- (11) The right to join with other consumers for mutual benefit.



## Lessons learned from the Consumer “Bill of Rights” in Vermont

- “Bill of Rights” concept could be extended to electric utilities
  - Values embodied in Consumer “Bill of Rights” are universal
- Secure outcome through rulemaking
- Be forward looking
  - Change is the only constant in life!



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**Thank you for listening**

**Questions?**

**Comments?**