

1 TO THE HOUSE OF REPRESENTATIVES:

2 The Committee on Environment and Energy to which was referred Senate
3 Bill No. 305 entitled “An act relating to miscellaneous changes to the Public
4 Utility Commission” respectfully reports that it has considered the same and
5 recommends that the House propose to the Senate that the bill be amended by
6 striking out Sec. 13, effective date, and its reader assistance heading in their
7 entirety and inserting in lieu thereof the following:

8 * * * Thermal Energy * * *

9 Sec. X. 30 V.S.A. § 201 is amended to read:

10 § 201. DEFINITIONS

11 As used in this chapter:

12 * * *

13 (7) “Thermal energy” means piped noncombustible fluids used for
14 transferring heat into and out of buildings for the purpose of avoiding,
15 eliminating, reducing any existing or new on-site greenhouse gas emissions of
16 all types of heating and cooling processes, including comfort heating and
17 cooling, domestic hot water, and refrigeration.

18 (8) “Thermal energy network” means all real estate, fixtures, and
19 personal property operated, owned, used, or to be used for or in connection
20 with or to facilitate distribution infrastructure project that supplies thermal
21 energy to more than one household, dwelling unit, or network of buildings that

1 are not commonly owned. This definition does not include a mutual benefit
2 enterprise, cooperative or common interest community that is owned by the
3 persons it serves and that provides thermal energy services only to its
4 members, a landlord providing thermal energy services only to its tenants
5 where the service is included in the lease agreement, or any entity that provides
6 thermal energy services only to itself.

7 **Sec. X.** 30 V.S.A. § 231 is amended to read:

8 § 231. CERTIFICATE OF PUBLIC GOOD; ABANDONMENT OF
9 SERVICE; HEARING

10 * * *

11 (d) Notwithstanding the provisions of subdivision 248(a)(2) of title or any
12 other State law to the contrary, a municipality shall have the authority to
13 construct, operate, set rates for, finance, and use eminent domain for a thermal
14 energy network utility without a certificate of public good or approval by the
15 Commission, in the same manner and to the same extent as its charter or the
16 general laws authorize the municipality to construct, operate, set rates for,
17 finance and use eminent domain in order to supply water or sewer service.
18 Nothing in this section shall alter the requirements of 10 V.S.A. § 151,
19 including for district energy projects such as those described in subdivision
20 209 (e)(1) of this title.

1 Sec. X. THERMAL ENERGY NETWORK DEVELOPMENT STUDY

2 (a) On or before December 1, 2025, the Public Utility Commission shall
3 issue a report to the House Committee on Environment and Energy and the
4 Senate Committee on Natural Resources and Energy on how to support the
5 development of thermal energy networks and the permitting of thermal energy
6 network providers. The report shall address all aspects of the permitting,
7 construction, operation, and rates of thermal energy networks and recommend
8 necessary statutory changes.

9 (b) Nothing in this section shall be construed to prohibit persons or
10 companies already regulated by the Commission under this chapter from
11 pursuing thermal energy network pilot projects prior to completion of this
12 study.