

1 Introduced by Committee on Natural Resources and Energy

2 Date:

3 Subject: Public service; energy; renewable energy programs; Renewable  
4 Energy Standard

5 Statement of purpose of bill as introduced: This bill proposes to increase the  
6 amount of total renewable energy required pursuant to the Renewable Energy  
7 Standard and to require a report on the costs of requiring a higher percentage  
8 of distributed renewable generation.

9 An act relating to the Renewable Energy Standard

10 It is hereby enacted by the General Assembly of the State of Vermont:

11 **Sec. 1. FINDINGS**

12 The General Assembly finds:

13 (1) It is the policy of the State to support the transition from the use of  
14 fossil fuels to energy sources with reduced emissions, such as through the use  
15 of electrically powered substitutes for high-emitting sectors, including the  
16 transportation and thermal sectors.

17 (2) The transition to electricity to supply the energy necessary for  
18 thermal and transportation needs requires that the electrical energy used be  
19 cleaner than the fossil fuel counterparts; this entails creating a grid and  
20 distribution network delivering increasingly clean renewable energy.



1 As used in this chapter:

2 \* \* \*

3 (10) ~~“Group net metering system” means a net metering system serving~~  
4 ~~more than one customer, or a single customer with multiple electric meters,~~  
5 ~~located within the service area of the same retail electricity provider. Various~~  
6 ~~buildings owned by municipalities, including water and wastewater districts,~~  
7 ~~fire districts, villages, school districts, and towns, may constitute a group net~~  
8 ~~metering system. A union or district school facility may be considered in the~~  
9 ~~same group net metering system with buildings of its member schools that are~~  
10 ~~located within the service area of the same retail electricity provider.~~

11 [Repealed.]

12 \* \* \*

13 (16) “Net metering system” means a plant for generation of electricity  
14 that:

15 (A) is of ~~no~~ not more than 150 kW capacity, unless the single owner  
16 of the plant consumes, on an annual basis, all the energy generated by the  
17 plant; regardless of the owner’s consumption, the nameplate capacity of the  
18 plant shall not exceed 500 kW capacity;

19 (B) operates in parallel with facilities of the electric distribution  
20 system;

1 (C) is intended primarily to offset the customer’s own electricity  
2 requirements and does not primarily supply electricity to electric vehicle  
3 supply equipment, as defined in section 201 of this title, for the resale of  
4 electricity to the public by the kWh or for other retail sales to the public,  
5 including those based in whole or in part on a flat fee per charging session or a  
6 time-based fee for occupying a parking space while using electric vehicle  
7 supply equipment; ~~and~~

8 (D)(i) employs a renewable energy source; or

9 (ii) is a qualified micro-combined heat and power system of 20  
10 kW or fewer that meets the definition of combined heat and power in  
11 subsection 8015(b) of this title and uses any fuel source that meets air quality  
12 standards;

13 (E) the owner of such a plant shall not sell or otherwise provide the  
14 energy generated to more than one customer; and

15 (F) for a plant commissioned after January 1, 2025, generates energy  
16 that will be used on the same site where it is located.

17 \* \* \*

18 Sec. 4. 30 V.S.A. § 8010 is amended to read:

19 § 8010. SELF-GENERATION AND NET METERING

20 \* \* \*

1 (c) In accordance with this section, the Commission shall adopt and  
2 implement rules that govern the installation and operation of net metering  
3 systems.

4 \* \* \*

5 (2) The rules shall include provisions that govern:

6 \* \* \*

7 ~~(E) the formation of group net metering systems, the resolution of~~  
8 ~~disputes between group net metering customers and the interconnecting~~  
9 ~~provider, and the billing, crediting, and disconnection of group net metering~~  
10 ~~customers by the interconnecting provider; and~~

11 ~~(F)~~ the amount of the credit to be assigned to each kWh of electricity  
12 generated by a net metering customer in excess of the electricity supplied by  
13 the interconnecting provider to the customer, the manner in which the  
14 customer's credit will be applied on the customer's bill, and the period during  
15 which a net metering customer must use the credit, after which the credit shall  
16 revert to the interconnecting provider.

17 \* \* \*

18 (3) The rules shall establish standards and procedures governing  
19 application for and issuance or revocation of a certificate of public good for net  
20 metering systems under the provisions of section 248 of this title. In  
21 establishing these standards and procedures:

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\* \* \*

(C) The rules shall seek to simplify the application and review process as appropriate, ~~including simplifying the application and review process to encourage group net metering systems when the system is at least 50 percent owned by the customers who receive the bill credits for the electricity generated by the system.~~

\* \* \*

Sec. 5. ANALYSIS CONCERNING INCREASING DISTRIBUTED  
RENEWABLE GENERATION AND REPORT

(a) On or before August 15, 2023, the Joint Fiscal Office shall issue a request for proposal (RFP) to analyze the costs, advantages and disadvantages, and impacts of increasing the amount of distributed renewable generation required pursuant to 30 V.S.A. § 8005(a)(2)(C) to:

- (1) 20 percent on and after January 1, 2032; or
- (2) 30 percent on and after January 1, 2032.

(b)(1) The analysis shall include a full life-cycle analysis of the costs and benefits of these levels of generation, including an examination of the potential value of such generation when designed in combination with other strategies to increase the value through measures such as:

(A) generation collocated with sufficient load to consume the majority of the energy produced;

1           (B) generation that includes energy storage resources independent of  
2           control of the interconnected distribution utility; and

3           (C) generation that includes energy storage resources under the  
4           control of the interconnected distribution utility.

5           (2) The analysis shall also address additional impacts including:

6           (A) increased revenues to the host municipality and State, including  
7           revenues from grand list growth; and

8           (B) increased revenues to the State due to job creation.

9           (c) The Joint Fiscal Office shall contract with an independent third party to  
10          conduct the analysis described in this section. The independent third party  
11          shall consult with the relevant stakeholders and shall have the cooperation of  
12          the Department of Public Service and the Public Utility Commission.

13          (d) On or before January 15, 2024, the analysis and recommendations shall  
14          be reported to the House Committee on Environment and Energy and the  
15          Senate Committees on Natural Resources and Energy and on Finance.

16          (e) In fiscal year 2024, the amount of \$75,000.00 in general funds is  
17          appropriated to the Joint Fiscal Office for the report described in this section.

18          Sec. 6. EFFECTIVE DATE

19          This act shall take effect on July 1, 2023.