

1 H.149

2 Introduced by Representatives Obuchowski of Rockingham and Partridge of

3 Windham

4 Referred to Committee on

5 Date:

6 Subject: Energy; public service; electric utility supply portfolios; existing

7 hydroelectric plants of one megawatt or less

8 Statement of purpose: This bill proposes to require that the portfolio of each

9 Vermont retail electricity provider include in-state dam credits purchased from

10 existing hydroelectric plants of one megawatt or less located within its service

11 territory that is equal to the combined annual production of all such plants.

12 This requirement would not apply to plants already under agreement for the

13 purchase of power pursuant to 30 V.S.A. § 209(a)(8) (small power production)

14 and public service board rules implementing that subdivision.

15 An act relating to existing hydroelectric plants of one megawatt or less

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

17 Sec. 1. 30 V.S.A. § 8009 is added to read:

18 § 8009. EXISTING HYDROELECTRIC PLANTS; ONE MEGAWATT

19 OR LESS; IN-STATE DAM CREDITS

20 (a) For the purpose of this section:

1           (1) “Existing plant” means a hydroelectric plant located in the state that  
2           has a plant capacity of one megawatt or less, was commissioned prior to  
3           September 30, 2009, was in service as of January 1, 2011, and does not, as of  
4           the effective date of this act, have an agreement with the public service board’s  
5           purchasing agent for the purchase of its power pursuant to subdivision  
6           209(a)(8) of this title and board rules adopted under that subdivision.

7           (2) “In-state dam credit” means the attributes of an existing plant  
8           associated with its being a hydroelectric facility located in the state, by unit of  
9           energy generated, where:

10           (A) those attributes are transferred or recorded separately from that  
11           unit of energy;

12           (B) the party claiming ownership of the in-state dam credits has  
13           acquired the exclusive legal ownership of all, and not less than all, the  
14           attributes described in this subdivision that are associated with that unit of  
15           energy; and

16           (C) exclusive legal ownership can be verified through an auditable  
17           contract path or pursuant to a system established or authorized by the public  
18           service board to track and verify the ownership of the attributes described in  
19           this subdivision.

20           (b) Notwithstanding any other provision of law, the portfolio of each  
21           Vermont retail electricity provider shall include in-state dam credits

1 representing the combined annual energy production of all existing plants  
2 located within its service territory purchased from the plant owner after the  
3 effective date of this section at a price of \$0.02 per kilowatt hour in 2011  
4 dollars. If such a plant is permanently taken out of service after this section's  
5 effective date, the board may authorize a reduction of the requirement of this  
6 subsection by the most recent year's production of the plant taken out of  
7 service.

8 Sec. 2. EFFECTIVE DATES; BOARD PROCEEDING

- 9 (a) This section shall take effect on passage.
- 10 (b) Sec. 1 of this act shall take effect on January 1, 2012.
- 11 (c) On or before December 1, 2012, the public service board shall open,  
12 conduct, and complete a proceeding to implement Sec. 1 of this act, including  
13 establishing a system to track and verify the ownership of in-state dam credits.