

H.367

Introduced by Representatives Edwards of Brattleboro, Burke of Brattleboro,
Deen of Westminster, Milkey of Brattleboro, O'Donnell of
Vernon and Rodgers of Glover

Referred to Committee on

Date:

Subject: Public service; energy; land use; planning and zoning; planned unit
development (PUD) distributed generation systems

Statement of purpose: This bill proposes to authorize the creation of planned
unit development (PUD) distributed generation systems. These are energy
distribution systems that would be created within planned unit developments
established under 24 V.S.A. chapter 117, would be subject to statutory size
limitations, and would be authorized only to serve customers located within the
planned unit development. The systems would also be served by the utility
company in whose service area the projects are created. The public service
board would be given authority to establish and monitor the program.

An act relating to the creation of planned unit development distributed
generation systems

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

1 Sec. 1. 30 V.S.A. § 219c is added to read:

2 § 219c. PLANNED UNIT DEVELOPMENT; DISTRIBUTED
3 GENERATION

4 (a) No later than June 30, 2010, the board shall establish by rule or order
5 standards and procedures governing application for and issuance or revocation
6 of a certificate of public good for planned unit development (PUD) distributed
7 generation systems under the provisions of section 248 of this title. All of the
8 following shall apply to a PUD distributed generation system:

9 (1) The system shall be located in a PUD, created under the provisions
10 of 24 V.S.A. chapter 117, that is more than 100 acres in size.

11 (2) The system shall be authorized to sell power only to customers who
12 are located within the PUD.

13 (3) The system shall be of no more than 1,999 kW (AC) capacity.

14 (4) The system shall operate in parallel with facilities of the electric
15 distribution system.

16 (5) The system shall integrate a source that is renewable energy as
17 defined in subdivision 8002(2) of this title.

18 (b) A PUD distributed generation system shall be deemed to promote the
19 public good of the state if it is in compliance with the criteria of this section
20 and board rules or orders adopted under this section. Each of the following
21 shall apply to the board's development of those rules or orders:

1 (1) The board may waive the requirements of section 248 of this title
2 that are not applicable to PUD distributed generation systems, including
3 criteria that are generally applicable to public service companies as defined in
4 this title.

5 (2) The board may modify notice and hearing requirements of this title
6 as it deems appropriate.

7 (3) The board shall seek to simplify the application and review process
8 as appropriate.

9 (4) The board shall find that the rules and orders are consistent with
10 state power plans.

11 (c) An applicant for a certificate of public good for a PUD distributed
12 generation system shall be exempt from the requirements of subsection 202(f)
13 of this title. Any certificate issued under this section shall be automatically
14 transferred to any subsequent owner of the property served by the PUD
15 distributed generation system, provided that the board and the electric
16 company are notified of the transfer in accordance with rules adopted by the
17 board, and the subsequent owner agrees to comply with the terms and
18 conditions of the certificate.

19 (d) After the board has authorized the establishment of a PUD distributed
20 generation system under this section, any expansion of the customers to be
21 served by the system may be allowed only if the applicant can demonstrate the

1 ability to provide in excess of 75 kWh on a 90 percent or greater service level
2 for the immediately preceding six months.

3 (e) A customer shall pay the same rates, fees, or other payments and be
4 subject to the same conditions and requirements as all other purchasers in the
5 same rate class from the electric company, except as provided for in this
6 section, and except for appropriate and necessary conditions approved by the
7 board for the safety and reliability of the electric distribution system.

8 (f)(1) In addition to any other applicable requirements of this section,
9 section 248 of this title, and any board rules adopted to implement either
10 section, before a PUD distributed generation system served by more than one
11 meter may be formed and served by an electric company, the proposed PUD
12 distributed generation system shall file with the board, with copies to the
13 department and the serving electric company, all of the following information:

14 (A) The meters to be included in the PUD distributed generation
15 system, which shall be located in the PUD, identified by account number and
16 location.

17 (B) A method for adding and removing meters included in the PUD
18 distributed generation system.

19 (C) A designated person responsible for all communications from the
20 PUD distributed generation system to the serving electric company that do not
21 relate to billing, payment, and disconnection.

1 (D) A binding process for the resolution of any disputes within the
2 PUD distributed generation system relating to the PUD distributed generation
3 system that does not rely on the serving electric company, the board, or the
4 department. However, this subdivision (D) shall not apply to disputes between
5 the serving utility and individual customers regarding billing, payment, or
6 disconnection.

7 (2) The PUD distributed generation system shall, at all times, maintain a
8 written designation to the serving electric company of a person who shall be
9 the sole person authorized to receive any communications regarding the PUD
10 distributed generation system that do not relate to billing, payment, or
11 disconnection.

12 (3) The serving utility shall implement appropriate changes to the PUD
13 distributed generation system within 30 days after receiving written
14 notification from the designated person. However, written notification of a
15 change in the person designated under subdivision (2) of this subsection shall
16 be effective upon receipt by the serving utility. The serving utility promptly
17 shall make any necessary corrections and adjustments to implement revised
18 notifications.

19 (4) Pursuant to subsection 231(a) of this title, after such notice and
20 opportunity for hearing as the board may require, the board may revoke a
21 certificate of public good issued to a PUD distributed generation system.

1 (g) Each of the following shall apply to an electric company:

2 (1) The company shall make services available to any customer using a
3 PUD distributed generation system.

4 (2) The company shall charge the customer a minimum monthly fee that
5 is the same as for other customers of the electric distribution company in the
6 same rate class, but shall not charge the customer any additional standby,
7 capacity, interconnection, or other fee or charge.

8 (3) The company may charge reasonable fees for interconnection,
9 establishment, special meter reading, accounting, account correcting, and
10 account maintenance of PUD distributed generation system arrangements.

11 (4) The company may require that all meters included within a PUD
12 distributed generation system be read on the same billing cycle.

13 (5) The company may book and defer, with carrying costs, additional
14 incremental costs, not otherwise recovered, directly related to a PUD
15 distributed generation system.

16 (6) The company shall bill directly, and send all communications
17 regarding billing, payment, and disconnection directly to, the customer name
18 and address listed for the account of each individual meter designated under
19 subdivision (f)(1)(A) of this section as included in the PUD distributed
20 generation system.

1 (h)(1) A PUD distributed generation system using photovoltaic generation
2 shall conform to applicable electrical safety, power quality, and
3 interconnection requirements established by the National Electrical Code, the
4 Institute of Electrical and Electronic Engineers, and Underwriters Laboratories.
5 The customer shall be responsible for installation, testing, accuracy, and
6 maintenance of PUD distributed generation system equipment.

7 (2) The board may adopt for customers, by rule or order, additional
8 safety, power quality, and interconnection requirements that the board
9 determines are necessary to protect public safety and system reliability.

10 (3) An electric company may, at its own expense, and upon reasonable
11 written notice to the customer, perform testing and inspection of a PUD
12 distributed generation system in order to confirm that the system conforms to
13 applicable electrical safety, power quality, and interconnection requirements.