

Journal of the Senate

TUESDAY, MARCH 26, 2013

The Senate was called to order by the President.

Devotional Exercises

A moment of silence was observed in lieu of devotions.

Pledge of Allegiance

The President then led the members of the Senate in the pledge of allegiance.

Joint Senate Resolution Adopted on the Part of the Senate

Joint Senate resolution of the following title was offered, read and adopted on the part of the Senate, and is as follows:

By Senators Baruth and Benning,

J.R.S. 21. Joint resolution relating to weekend adjournment.

Resolved by the Senate and House of Representatives:

That when the two Houses adjourn on Friday, March 29, 2013, it be to meet again no later than Tuesday, April 2, 2013.

Joint Senate Resolution Adopted on the Part of the Senate; Joint Resolution Messaged

Joint Senate resolution of the following title was offered, read and adopted on the part of the Senate, and is as follows:

By Senator Nitka,

J.R.S. 22. Joint resolution providing for a Joint Assembly to vote on the retention of seven Superior Judges and one Magistrate.

Whereas, by virtue of the provisions of 4 V.S.A. § 608 and of J.R.S. 17, the vote on the retention seven Superior Court Judges, and one Magistrate who have submitted declarations seeking retention was deferred until March 28, 2013,

Whereas, the General Assembly desires to schedule the Joint Assembly earlier, *now therefore be it*

Resolved by the Senate and House of Representatives:

That the two Houses meet in Joint Assembly on Wednesday, March 27, 2013, at nine o'clock in the forenoon to vote on the retention of seven Superior Court Judges, and one Magistrate. In case the vote to retain said Judges and Magistrate shall not be made on that day, the two Houses shall meet in Joint Assembly at ten o'clock and thirty minutes in the forenoon, on each succeeding day, Saturdays and Sundays excepted, and proceed until the above is completed.

Thereupon, on motion of Senator Campbell, the rules were suspended, and the joint resolution was ordered messaged to the House forthwith.

Bills Referred

House bills of the following titles were severally read the first time and referred:

H. 105.

An act relating to adult protective services reporting requirements.

To the Committee on Health and Welfare.

H. 178.

An act relating to anatomical gifts.

To the Committee on Health and Welfare.

H. 377.

An act relating to neighborhood planning and development for municipalities with designated centers.

To the Committee on Economic Development, Housing and General Affairs.

H. 405.

An act relating to manure management and anaerobic digesters.

To the Committee on Finance.

H. 406.

An act relating to listers and assessors.

To the Committee on Government Operations.

H. 510.

An act relating to the State's transportation program and miscellaneous changes to the State's transportation laws.

To the Committee on Transportation.

H. 518.

An act relating to miscellaneous amendments to Vermont retirement laws.

To the Committee on Government Operations.

H. 523.

An act relating to jury questionnaires, the filing of foreign child custody determinations, court fees, and judicial record keeping.

To the Committee on Judiciary.

H. 524.

An act relating to making technical amendments to education laws.

To the Committee on Education.

Bill Amended; Third Reading Ordered**S. 30.**

Senator Snelling, for the Committee on Natural Resources and Energy, to which was referred Senate bill entitled:

An act relating to siting of electric generation plants.

Reported recommending that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

* * * Findings * * *

Sec. 1. FINDINGS

The General Assembly finds that:

(1) Climate change from the emission of greenhouse gases such as carbon dioxide (CO₂) is one of the most serious issues facing Vermont today. In this State, the change in climate already has resulted in significant damage from increased heavy rain events and flooding and in fundamental alterations to average annual temperatures and the length and characteristics of the seasons. As climate change accelerates, the hazards to human health and safety and the environment in Vermont will rise, including an increased frequency of violent storm events, heat waves, and one- to two-month droughts; threats to the productivity of cold-weather crops and dairy cows and to cold-water fish and wildlife species; reduced seasons for skiing, snowmobiling, and sugaring; and increasing risks to infrastructure such as roads and bridges near streams and rivers.

(2) Vermont currently encourages the in-state siting of renewable electric generation projects in order to contribute to reductions in global

climate change caused by greenhouse gas emissions. Yet significant controversy exists over whether in-state development of renewable energy actually reduces Vermont's greenhouse gas emissions, since these projects typically sell renewable energy credits to utilities in other states, and those credits are netted against the greenhouse gas emissions of those states.

(3) Vermont's electric energy consumption does not contribute significantly to the State's carbon footprint. In 2010, CO₂ and equivalent emissions from Vermont energy consumption totaled approximately eight million metric tons (MMTCO₂). Of this total, transportation fuel use accounted for approximately 3.5, nonelectric fuel use by homes and businesses for approximately 2.5 and, in contrast, electric energy use for approximately 0.04 MMTCO₂.

(4) The in-state siting of renewable electric generation projects carries the potential for significant adverse impacts. For example, in Vermont, developers site industrial wind generation projects and wind meteorological stations on ridgelines, which often contain sensitive habitat and important natural areas. Vermont's ridgelines also define and enhance the State's natural and scenic beauty. Vermont has invested substantial time and effort to develop regulatory policy and programs to protect its ridgelines.

(5) Ridgeline wind generation plants have potential impacts on natural resources, scenic beauty, and quality of life, including effects on endangered and threatened species, wildlife habitat, and aesthetics and impacts from blasting and turbine noise. Residents near installed wind generation plants have raised concerns about health impacts, including sleep loss. Significant controversy has arisen over whether the Public Service Board review process adequately protects the public and the environment from the negative impacts caused by these and other electric generation projects.

(6) Vermont has a long history of supporting community-based land use planning. Under 24 V.S.A. chapter 117, Vermont's 11 regional planning commissions and its municipal planning commissions are enabled and encouraged to adopt plans to guide development, including energy and utility facilities. These plans are adopted through a public hearing and comment process after substantial effort by the regions and the municipalities, often with extensive involvement of citizens in the affected communities. Yet under current law, the Public Service Board when reviewing an electric generation project may set aside the results of this planning process for any reason the Board considers to affect the general good of the State, even if the project is not needed for reliability of the electric system.

(7) No statewide analysis and planning is performed to address the environmental, land use, and health impacts of siting wind generation projects

in Vermont. Instead, the Public Service Board examines the impacts on a case-by-case basis only.

(8) The current case-by-case system of regulating electric generation projects must be revised to ensure the best possible siting of these projects. To achieve this goal, the siting of electric generation projects must be directed by community-based land use planning. Each electric generation project must comply with the same environmental and land use criteria as other development projects unless the generation project is for the purpose of system reliability. A statewide assessment must be made and a process must be developed that integrates and strengthens the role of community-based land use planning and supports effective review and optimal siting of all electric generation projects. This assessment also must evaluate whether encouraging in-state siting of renewable electric generation is the most appropriate means at Vermont's disposal to reduce its carbon footprint.

* * * Assessment; Report * * *

Sec. 2. ELECTRIC GENERATION SITING; ASSESSMENT; REPORT

(a) Charge. On or before November 15, 2013, the Department of Public Service, in consultation with and assisted by the Agencies of Commerce and Community Development and of Natural Resources, the Natural Resources Board, and the state's regional planning commissions, shall conduct and complete the assessment and submit the report to the General Assembly required by this section.

(b) Definitions. In this section:

(1) "ACCD" means the Agency of Commerce and Community Development.

(2) "ANR" means the Agency of Natural Resources.

(3) "Board" means the Natural Resources Board.

(4) "Department" means the Department of Public Service.

(5) "Electric generation plant" means a plant that produces electricity and has a plant capacity that exceeds 500 kilowatts.

(6) "Plant" and "plant capacity" shall have the same meaning as in 30 V.S.A. § 8002, except that they shall not be limited to renewable energy.

(7) "Regional planning commission" shall have the meaning as in 24 V.S.A. § 4303.

(8) "Wind generation plant" means an electric generation plant that captures the energy of the wind and converts it into electricity. The term

includes all associated facilities and infrastructure such as wind turbines, towers, guy wires, power lines, roads, and substations.

(9) “Wind meteorological station” means any tower, and associated guy wires and attached instrumentation, constructed to collect and record wind speed, wind direction, and atmospheric conditions.

(c) Governor’s Siting Policy Commission. In performing its tasks under this section, the Department shall use the information and data collected by the Governor’s Energy Siting Policy Commission (the Siting Policy Commission) created by Executive Order No. 10-12 dated October 2, 2012 (the Executive Order) and shall consider the recommendations of that Commission.

(d) Assessment. The Department, assisted by ACCD, ANR, the Board, and the regional planning commissions, shall assess each of the following:

(1) the appropriateness and economic efficiency of investing or encouraging investment in renewable electric generation plants to reduce Vermont’s greenhouse gas emissions in comparison to other measures to reduce those emissions such as transportation fuel efficiency and thermal energy efficiency;

(2) the current policy and practice of selling renewable energy credits from renewable electric generation plants in Vermont to utilities in other jurisdictions and the effect of this policy and practice on reducing Vermont’s greenhouse gas emissions;

(3) methods to integrate state energy planning and local and regional land use planning as they apply to electric generation plants;

(4) methods to strengthen the role of local and regional plans in the siting review process for electric generation plants and to assure that the siting review process reflects the outcome of the local and regional planning processes;

(5) methods to fund intervenors in the siting review process for electric generation projects; and

(6) with respect to wind generation plants and wind meteorological stations:

(A) health impacts of plants and stations located in and outside Vermont;

(B) sound and infrasound emitted from plants and stations located in and outside Vermont as they affect public health and quality of life;

(C) setback requirements on such plants and stations adopted by other jurisdictions in and outside the United States;

(D) the impacts on the environment, natural resources, and quality of life of the plants and stations in Vermont in existence or under construction as of the effective date of this section; and

(E) the economic and environmental costs and benefits of such plants and stations, including the value of any ecosystem services affected by them.

(e) Report; proposed legislation. On or before November 15, 2013, the Department, assisted by ACCD, ANR, the Board, and the regional planning commissions, shall submit a report to the House and Senate Committees on Natural Resources and Energy and the Electric Generation Oversight Committee created under subsection (g) of this section that contains each of the following:

(1) The results of each assessment to be conducted under subsection (d) of this section.

(2) Recommendations and proposed legislation to:

(A) establish a comprehensive planning process for the siting of electric generation plants that integrates state energy and local and regional land use planning;

(B) ensure that the outcome of this integrated planning process directs the siting review process for electric generation plants and that local and regional land use plans have a determinative role in this siting review process;

(C) establish a method to fund intervenors participating in the siting review process for electric generation plants;

(D) maximize the reductions in Vermont's greenhouse gas emissions supported by revenues raised from Vermont taxpayers and ratepayers;

(E) establish standards applicable to all wind generation plants and wind meteorological stations to address their impacts on the public health, environment, land use, and quality of life, including standards to protect natural areas and wildlife habitat and to establish noise limits and setback requirements applicable to such plants and stations; and

(F) establish a procedure to measure a property owner's loss of value, if any, due to proximity to a wind generation plant and to propose a method to compensate the property owner for the loss in value, including a determination of who shall pay for such loss.

(f) Public notice and participation.

(1) The Department shall give widespread public notice of the assessment and report required by this section and shall maintain on its website

a prominent page concerning this process that provides notice of all public meetings held and posts relevant information and documents.

(2) In performing the assessment and developing the report required by this section, the Department shall provide an opportunity for local legislative bodies, local planning commissions, affected businesses and organizations, and members of the public to submit relevant factual information, analysis, and comment. This opportunity shall include meetings conducted by the DPS at locations that are geographically distributed around the State to receive such information, analysis, and comment.

(g) Oversight committee. There is created the Electric Generation Oversight Committee (the Committee). The purpose of the Committee shall be to perform legislative oversight of the conduct of the assessment and report required by this section and to discuss potential legislation on planning for and siting of electric generation plants.

(1) Membership. The Committee shall be composed of six members who shall be appointed within 30 days of this section's effective date. Three of the members shall be members of the Senate Committee on Natural Resources and Energy appointed by the Committee on Committees of the Senate. Three of the members shall be members of the House Committee on Natural Resources and Energy appointed by the Speaker of the House.

(2) Meetings. During adjournment of the General Assembly, the Committee shall be authorized to conduct up to three meetings, at which meetings the Committee may:

(A) direct the Department, ACCD, ANR, the Board, and one or more regional planning commissions to appear and provide progress reports on the assessment and report required by this section and discuss proposals of draft legislation on planning for and siting of electric generation plants; and

(B) direct members of the Siting Policy Commission to appear and provide information and testimony related to the Commission's report and recommendations issued pursuant to the Executive Order and to the siting of electric generation plants in Vermont. This authority shall continue for the duration of the Committee's term whether or not the Siting Policy Commission ceases to exist prior to the end of the Committee's term.

(3) Reimbursement. For attendance at authorized meetings during adjournment of the General Assembly, members of the Committee shall be entitled to compensation and reimbursement for expenses as provided in 2 V.S.A. § 406.

(4) For the purpose of its tasks under this subsection, the Committee shall have the administrative and legal assistance of the Office of Legislative Council.

(5) Term of committee. The Committee shall cease to exist on February 1, 2014.

Sec. 3. APPROPRIATION

For fiscal year 2014, the sum of \$75,000.00 is appropriated to the Department of Public Service from the General Fund for the purpose of Sec. 2 of this act (electric generation siting; assessment; report).

* * * Regional Planning for Electric Generation Plants * * *

Sec. 4. 24 V.S.A. § 4348a is amended to read:

§ 4348a. ELEMENTS OF A REGIONAL PLAN

(a) A regional plan shall be consistent with the goals established in section 4302 of this title and shall include ~~but need not be limited to~~ the following:

* * *

(3) An energy element, which:

(A) may include an analysis of energy resources, needs, scarcities, costs, and problems within the region, a statement of policy on the conservation of energy and the development of renewable energy resources, and a statement of policy on patterns and densities of land use and control devices likely to result in conservation of energy; and

(B) shall include the electric energy siting plan under section 4348c of this title;

* * *

Sec. 5. 24 V.S.A. § 4348c is added to read:

§ 4348c. ELECTRIC ENERGY SITING PLAN

(a) In this section:

(1) “Electric generation plant” means a plant that produces electricity and has a plant capacity that exceeds 500 kilowatts.

(2) “Plant” and “plant capacity” shall have the same meaning as in 30 V.S.A. § 8002, except that they shall not be limited to renewable energy.

(b) Each regional planning commission shall adopt a plan concerning the siting of electric generation plants within the region. This plan shall be adopted as part of or an amendment to the regional plan.

(c) The plan shall state the region's specific policies on the siting of electric generation plants and identify the appropriate locations within the region, if any, for the siting of electric generation plants.

(d) In developing the siting plan, the regional planning commission shall apply the resource maps developed by the Secretary of Natural Resources under 10 V.S.A. § 127, protect the resources under 10 V.S.A. § 6086(a), and consider the energy policy set forth in 30 V.S.A. §§ 202a and 8001 and the state energy plans adopted under 30 V.S.A. §§ 202 and 202b.

(e) Notwithstanding section 4350 of this title, the plan for a municipality shall not be considered incompatible with the regional plan for the reason that the municipal plan prohibits the siting of an electric generation plant that the regional plan would allow within the municipality.

Sec. 6. IMPLEMENTATION

On or before December 15, 2014, each regional planning commission shall adopt a renewable electric energy siting plan under Sec. 5 of this act, 24 V.S.A. § 4348c.

* * * Municipal Officers; Ethics Disclosure * * *

Sec. 7. 24 V.S.A. § 873 is added to read:

§ 873. DISCLOSURE; FINANCIAL INTEREST; WIND GENERATION PLANTS

A member of a municipality's legislative body or other municipal officer shall not participate in any meeting or proceeding or take any official action concerning a wind generation plant proposed to be located within the municipality the member or officer may have in the construction or operation of the plant, including the retention of the member or officer by the plant developer an agreement under which the plant developer will compensate the member or officer for potential impacts to land of the member or officer.

(1) In this section, a financial interest of a member or officer shall include a financial interest in the construction or operation of the plant of any natural person to which the member or officer is related within the fourth degree of consanguinity or affinity or of any corporation of which an officer, director, trustee, or agent is related to the member or officer within such degree.

(2) This section shall not require disclosure of a financial interest shared generally by the residents of the municipality such as the municipality's receipt of property taxes or other payments from the plant.

Sec. 8. 24 V.S.A. § 4461 is amended to read:

§ 4461. DEVELOPMENT REVIEW PROCEDURES

(a) Meetings; rules of procedure and ethics. An appropriate municipal panel shall elect its own officers and adopt rules of procedure, subject to this section and other applicable state statutes, and shall adopt rules of ethics with respect to conflicts of interest.

(1) Meetings of any appropriate municipal panel shall be held at the call of the chairperson and at such times as the panel may determine. The officers of the panel may administer oaths and compel the attendance of witnesses and the production of material germane to any issue under review. All meetings of the panel, except for deliberative and executive sessions, shall be open to the public. The panel shall keep minutes of its proceedings, showing the vote of each member upon each question, or, if absent or failing to vote, indicating this, and shall keep records of its examinations and other official actions, all of which shall be filed immediately in the office of the clerk of the municipality as a public record. For the conduct of any hearing and the taking of any action, a quorum shall be not less than a majority of the members of the panel, and any action of the panel shall be taken by the concurrence of a majority of the panel.

(2) The provisions of section 873 of this title (disclosure; financial interest; wind generation plant) shall apply to each member of an appropriate municipal panel.

* * *

* * * Electric Generation Siting Jurisdiction; Public Service Board * * *

Sec. 9. 30 V.S.A. § 248 is amended to read:

§ 248. NEW GAS AND ELECTRIC PURCHASES, INVESTMENTS, AND FACILITIES; CERTIFICATE OF PUBLIC GOOD

(a)(1) No company, as defined in section 201 of this title, may:

(A) In any way purchase electric capacity or energy from outside the ~~state~~ State:

(i) for a period exceeding five years, that represents more than three percent of its historic peak demand, unless the purchase is from a plant as defined in subdivision 8002(14) of this title that produces electricity from renewable energy as defined under subdivision 8002(17); or

(ii) for a period exceeding ten years, that represents more than ten percent of its historic peak demand, if the purchase is from a plant as defined in subdivision 8002(14) of this title that produces electricity from renewable energy as defined under subdivision 8002(17); or

(B) invest in an electric generation or transmission facility located outside this ~~state~~ State unless the ~~public service board~~ Public Service Board first finds that the same will promote the general good of the ~~state~~ State and issues a certificate to that effect.

(2) Except for the replacement of existing facilities with equivalent facilities in the usual course of business, and except for electric generation facilities that are operated solely for on-site electricity consumption by the owner of those facilities:

(A) no company, as defined in section 201 of this title, and no person, as defined in 10 V.S.A. § 6001(14), may begin site preparation for or construction of an electric generation facility or electric transmission facility within the ~~state~~ State which is designed for immediate or eventual operation at any voltage; and

(B) no such company may exercise the right of eminent domain in connection with site preparation for or construction of any such transmission or generation facility, unless the ~~public service board~~ Public Service Board first finds that the same will promote the general good of the ~~state~~ State and issues a certificate to that effect.

* * *

(b) Before the ~~public service board~~ Public Service Board issues a certificate of public good as required under subsection (a) of this section, it shall find that the purchase, investment, or construction:

(1)(A) with respect to an in-state electric generation facility exceeding 500 kilowatts, will be in conformance with the duly adopted plans under 24 V.S.A. chapter 117 for the municipality and region in which the facility is located, and due consideration has been given to the land conservation measures contained in the plan of any other affected municipality. Notwithstanding subsection (a) of this section, the Board shall not issue a certificate under this section for such an in-state facility without finding that this subdivision (1)(A) is met. However, this subdivision (1)(A) shall not apply to an electric generation facility the principal effect of which, if approved, would be to remediate a constraint in the electric transmission or distribution system;

(B) with respect to ~~an~~ any other in-state facility subject to this section, will not unduly interfere with the orderly development of the region with due consideration having been given to the recommendations of the municipal and regional planning commissions, the recommendations of the municipal legislative bodies, and the land conservation measures contained in the plan of any affected municipality. However, with respect to a natural gas

transmission line subject to board review, the line shall be in conformance with any applicable provisions concerning such lines contained in the duly adopted regional plan; and, in addition, upon application of any party, the ~~board~~ Board shall condition any certificate of public good for a natural gas transmission line issued under this section so as to prohibit service connections that would not be in conformance with the adopted municipal plan in any municipality in which the line is located;

* * *

(5) with respect to an in-state facility, will not have an undue adverse effect on esthetics, historic sites, air and water purity, the natural environment, the use of natural resources, and the public health and safety, ~~with~~ and:

(A) with respect to an in-state electric generation facility exceeding 500 kilowatts, will comply with the criteria of 10 V.S.A. § 6086(a)(1)–(9)(L). Notwithstanding subsection (a) of this section, the Board shall not issue a certificate under this section for such an in-state facility without finding that this subdivision (5)(A) is met. However, this subdivision (5)(A) shall not apply to an electric generation facility the principal effect of which, if approved, would be to remediate a constraint in the electric transmission or distribution system;

(B) with respect to any other in-state facility subject to this section, due consideration ~~having~~ has been given to the criteria specified in 10 V.S.A. §§ 1424a(d) and 6086(a)(1) through (8) and (9)(K) and greenhouse gas impacts.

* * *

(q) When reviewing a facility under this section pursuant to the criteria of 10 V.S.A. § 6086(a), the Public Service Board shall consider the relevant precedents of the former Environmental Board and of the Environmental Division of the Superior Court and shall apply the relevant precedents of the Vermont Supreme Court.

Sec. 10. RETROACTIVE APPLICATION

Notwithstanding 1 V.S.A. §§ 213 and 214, Sec. 9 (new gas and electric purchases, investments, and facilities; certificate of public good) of this act shall apply to applications that are filed on and after March 1, 2013 and are pending as of this section's effective date.

* * * State Lands * * *

Sec. 11. 10 V.S.A. chapter 88 is added to read:

CHAPTER 88. PROHIBITION; COMMERCIAL CONSTRUCTION;
CERTAIN PUBLIC LANDS

§ 2801. POLICY

Vermont's state parks, state forests, natural areas, wilderness areas, wildlife management areas, and wildlife refuges are intended to remain in a natural or wild state forever and shall be protected and managed accordingly.

§ 2802. PROHIBITION

(a) Construction for any commercial purpose, including the generation of electric power, shall not be permitted within any state park or forest, wilderness area designated by law, or natural area designated under section 2607 of this title.

(b) This section shall not prohibit:

(1) the construction of a concession or other structure for the use of visitors to state parks or forests;

(2) a modification or improvement to a dam in existence as of the effective date of this section, if the modification or improvement is:

(A) to ensure public safety; or

(B) to allow the dam's use for the generation of electricity, and the construction of any power lines and facilities necessary for such use;

(3) the construction of telecommunications facilities, as defined in 30 V.S.A. § 248a(b) (certificate of public good; communications facilities), in accordance with all other applicable state law;

(4) a temporary structure or road for forestry purposes as may be permitted on a state land;

(5) tapping of maple trees and associated activities on state forestland authorized under a license pursuant to section 2606b of this title; or

(6) construction on state land that is permitted under a lease or license that was in existence on this act's effective date and, in the case of a ski area, the renewal of such a lease or license or its modification to allow expansion of the ski area.

Sec. 12. REPEAL

10 V.S.A. § 2606(c) (state forests; parks; leases for mining or quarrying) is repealed.

* * * Effective Date * * *

Sec. 13. EFFECTIVE DATE

This act shall take effect on passage, except Sec. 3 (appropriation) of this act shall take effect on July 1, 2013.

Senator Snelling moved to substitute a recommendation of amendment for the recommendation of amendment of the Committee on Natural Resources and Energy as follows:

By striking out all after the enacting clause and inserting in lieu thereof the following:

* * * Findings * * *

Sec. 1. FINDINGS

The General Assembly finds:

(1) Vermont currently encourages the in-state siting of renewable electric generation projects. As with other land uses such as ski resorts or mountainside condominiums, the development of renewable electric generation projects brings both benefits and costs, which must be considered according to statutory criteria for development and siting review.

(2) To address concerns raised regarding the siting processes for electric generation projects and related recommendations in the 2011 Comprehensive Energy Plan, the Governor signed Executive Order No. 10-12 (the Executive Order) creating the Governor's Energy Generation Siting Policy Commission (the Commission). The Commission's charge is to survey best practices for siting approval of electric generation projects, except for net metering systems, and for public participation and representation in the siting review process, and to recommend modifications or improvements to be made to the process through legislation.

(3) In accordance with the Executive Order, the General Assembly anticipates receiving the report and recommendations from the Commission on or before April 30, 2013 and therefore establishes a process for further assessments of issues related to electric generation siting and to consider the report and recommendations in advance of the 2014 legislative session.

* * * Joint Energy Committee * * *

Sec. 2. 2 V.S.A. § 601 is amended to read:

§ 601. CREATION OF COMMITTEE

* * *

(b) The ~~committee~~ Committee shall elect a chair, ~~vice-chair~~ vice chair, and clerk and shall adopt rules of procedure. The ~~chair~~ Chair shall rotate biennially between the house and the senate members. The ~~committee~~ Committee may meet during a session of the ~~general assembly~~ General Assembly at the call of the ~~chair~~ Chair or a majority of the members of the ~~committee~~ Committee. The ~~committee~~ Committee may meet no more than six times during adjournment ~~subject to approval of the speaker of the house and the president pro tempore of the senate~~, except that the Speaker of the House and the President Pro Tempore of the Senate may approve one or more additional meetings of the Committee during adjournment. A majority of the membership shall constitute a quorum.

* * * Electric Generation Siting; Assessment; Report * * *

Sec. 3. DEFINITIONS

In Secs. 3 through 5 of this act:

(1) “ACCD” means the Agency of Commerce and Community Development.

(2) “ANR” means the Agency of Natural Resources.

(3) “Board” means the Natural Resources Board.

(4) “Department” means the Department of Public Service.

(5) “Electric generation plant” means a plant that produces electricity and has a plant capacity that exceeds 500 kilowatts.

(6) “Executive Order” means Executive Order No. 10-12 dated October 2, 2012 creating the Siting Policy Commission.

(7) “Joint Energy Committee” means the Joint Energy Committee created under 2 V.S.A. chapter 17.

(8) “Plant” and “plant capacity” shall have the same meaning as in 30 V.S.A. § 8002, except that they shall not be limited to renewable energy.

(9) “Regional planning commission” shall have the meaning as in 24 V.S.A. § 4303.

(10) “Siting Policy Commission” means the Governor’s Energy Siting Policy Commission created by Executive Order No. 10-12 dated October 2, 2012 .

(11) “VDH” means the Department of Health.

(12) “Wind generation plant” means an electric generation plant that captures the energy of the wind and converts it into electricity. The term

includes all associated facilities and infrastructure such as wind turbines, towers, guy wires, power lines, roads, and substations.

(13) “Wind meteorological station” means any tower, and associated guy wires and attached instrumentation, constructed to collect and record wind speed, wind direction, and atmospheric conditions.

Sec. 4. DEPARTMENT; ELECTRIC GENERATION SITING; ASSESSMENT; REPORT

(a) Charge. On or before November 15, 2013, the Department, in consultation with and assisted by the ACCD, ANR, the Board, the Department of Taxes, VDH, and the regional planning commissions, shall conduct and complete each assessment and submit the report and recommendations required by this section.

(b) Governor’s Siting Policy Commission. In performing its tasks under this section, the Department shall use the information and data collected by and consider the report and recommendations of the Siting Policy Commission.

(c) Assessment. The Department, assisted by ACCD, ANR, the Board, the Department of Taxes, VDH, and the regional planning commissions, shall complete a written assessment of each of the following:

(1) the appropriateness and economic efficiency of investing or encouraging investment in renewable electric generation plants to reduce Vermont’s greenhouse gas emissions in comparison to other measures to reduce those emissions such as transportation fuel efficiency and thermal and electric energy efficiency;

(2) the current policy and practice of selling renewable energy credits from renewable electric generation plants in Vermont to utilities in other jurisdictions and the effect of this policy and practice on reducing Vermont’s greenhouse gas emissions;

(3) methods to integrate state energy planning and local and regional land use planning as they apply to electric generation plants;

(4) methods to strengthen the role of local and regional plans in the siting review process for electric generation plants and to assure that the siting review process reflects the outcome of the local and regional planning processes;

(5) methods to fund intervenors in the siting review process for electric generation plants; and

(6) with respect to wind generation plants and wind meteorological stations;

(A) health impacts of plants and stations located in and outside Vermont;

(B) sound and infrasound emitted from plants and stations located in and outside Vermont as they affect public health and quality of life;

(C) setback requirements on such plants and stations adopted by other jurisdictions in and outside the United States;

(D) the impacts on the environment, natural resources, and quality of life of the plants and stations in Vermont in existence or under construction as of the effective date of this section; and

(E) the economic and environmental costs and benefits of such plants and stations, including the value of any ecosystem services affected by them.

(d) Report; proposed legislation. On or before November 15, 2013, the Department, assisted by ACCD, ANR, the Board, the Department of Taxes, VDH, and the regional planning commissions, shall submit a report to the House and Senate Committees on Natural Resources and Energy, the Senate Committee on Finance, the House Committee on Commerce and Economic Development, and the Joint Energy Committee that contains each of the following:

(1) The results of each assessment to be conducted under subsection (c) of this section.

(2) Recommendations and proposed legislation to:

(A) establish a comprehensive planning process for the siting of electric generation plants that integrates state energy and local and regional land use planning;

(B) ensure that the outcome of this integrated planning process directs the siting review process for electric generation plants and that local and regional land use plans have a determinative role in this siting review process;

(C) establish a method to fund intervenors participating in the siting review process for electric generation plants;

(D) maximize the reductions in Vermont's greenhouse gas emissions supported by revenues raised from Vermont taxpayers and ratepayers;

(E) establish standards applicable to all wind generation plants and wind meteorological stations to address their impacts on the public health, environment, land use, and quality of life, including standards to protect natural areas and wildlife habitat and to establish noise limits and setback requirements applicable to such plants and stations; and

(F) establish a procedure to measure a property owner's loss of value, if any, due to proximity to a wind generation plant and to propose a method to compensate the property owner for the loss in value, including a determination of who shall pay for such loss.

(e) Public notice and participation.

(1) The Department shall give widespread public notice of the assessment and report required by this section and shall maintain on its website a prominent page concerning this process that provides notice of all public meetings held and posts relevant information and documents.

(2) In performing the assessment and developing the report required by this section, the Department shall provide an opportunity for local legislative bodies, local planning commissions, affected businesses and organizations, and members of the public to submit relevant factual information, analysis, and comment. This opportunity shall include meetings conducted by the Department at locations that are geographically distributed around the State to receive such information, analysis, and comment.

(f) Joint Energy Committee. During adjournment between the 2013 and 2014 sessions, the Joint Energy Committee (the Committee) shall review the conduct and content of the assessment and report required by this section and the report and recommendations of the Siting Policy Commission and discuss potential legislation on planning for and siting of electric generation plants. To this end, the Committee may:

(1) direct the Department, ACCD, ANR, the Board, the Department of Taxes, VDH, and one or more regional planning commissions to appear and provide progress reports on the assessment and report required by this section and discuss proposals of draft legislation on planning for and siting of electric generation plants; and

(2) direct members of the Siting Policy Commission to appear and provide information and testimony related to the Commission's report and recommendations issued pursuant to the Executive Order and to the siting of electric generation plants in Vermont. This authority shall continue until the General Assembly reconvenes in 2014 whether or not the Siting Policy Commission ceases to exist prior to that date.

Sec. 5. APPROPRIATION

For fiscal year 2014, the sum of \$75,000.00 is appropriated to the Department of Public Service from Special Fund No. 21698 (Department of Public Service; Energy and Regulation Fund) for the purpose of Sec. 4 of this act (electric generation siting; assessment; report).

* * * Electric Generation Siting Jurisdiction; Public Service Board * * *

Sec. 6. 30 V.S.A. § 248 is amended to read:

§ 248. NEW GAS AND ELECTRIC PURCHASES, INVESTMENTS, AND FACILITIES; CERTIFICATE OF PUBLIC GOOD

(a)(1) No company, as defined in section 201 of this title, may:

(A) In any way purchase electric capacity or energy from outside the ~~state~~ State:

(i) for a period exceeding five years, that represents more than three percent of its historic peak demand, unless the purchase is from a plant as defined in subdivision 8002(14) of this title that produces electricity from renewable energy as defined under subdivision 8002(17); or

(ii) for a period exceeding ten years, that represents more than ten percent of its historic peak demand, if the purchase is from a plant as defined in subdivision 8002(14) of this title that produces electricity from renewable energy as defined under subdivision 8002(17); or

(B) invest in an electric generation or transmission facility located outside this ~~state~~ State unless the ~~public service board~~ Public Service Board first finds that the same will promote the general good of the ~~state~~ State and issues a certificate to that effect.

(2) Except for the replacement of existing facilities with equivalent facilities in the usual course of business, and except for electric generation facilities that are operated solely for on-site electricity consumption by the owner of those facilities:

(A) no company, as defined in section 201 of this title, and no person, as defined in 10 V.S.A. § 6001(14), may begin site preparation for or construction of an electric generation facility or electric transmission facility within the ~~state~~ State which is designed for immediate or eventual operation at any voltage; and

(B) no such company may exercise the right of eminent domain in connection with site preparation for or construction of any such transmission or generation facility, unless the ~~public service board~~ Public Service Board first finds that the same will promote the general good of the ~~state~~ State and issues a certificate to that effect.

* * *

(b) Before the ~~public service board~~ Public Service Board issues a certificate of public good as required under subsection (a) of this section, it shall find that the purchase, investment, or construction:

(1)(A) with respect to an in-state electric generation facility exceeding 2.2 megawatts, will be in conformance with the duly adopted plans under 24 V.S.A. chapter 117 for the municipality and region in which the facility is located, and due consideration has been given to the land conservation measures contained in the plan of any other affected municipality. Notwithstanding subsection (a) of this section, the Board shall not issue a certificate under this section for such an in-state facility without finding that this subdivision (1)(A) is met. However, this subdivision (1)(A) shall not apply to an electric generation facility the principal effect of which, if approved, would be to remediate a constraint in the electric transmission or distribution system;

(B) with respect to ~~an~~ any other in-state facility subject to this section, will not unduly interfere with the orderly development of the region with due consideration having been given to the recommendations of the municipal and regional planning commissions, the recommendations of the municipal legislative bodies, and the land conservation measures contained in the plan of any affected municipality. However, with respect to a natural gas transmission line subject to board review, the line shall be in conformance with any applicable provisions concerning such lines contained in the duly adopted regional plan; and, in addition, upon application of any party, the ~~board~~ Board shall condition any certificate of public good for a natural gas transmission line issued under this section so as to prohibit service connections that would not be in conformance with the adopted municipal plan in any municipality in which the line is located;

* * *

(5) with respect to an in-state facility, will not have an undue adverse effect on esthetics, historic sites, air and water purity, the natural environment, the use of natural resources, and the public health and safety, ~~with~~ and:

(A) with respect to an in-state electric generation facility exceeding 2.2 megawatts, will comply with the criteria of 10 V.S.A. § 6086(a)(1)–(9)(L). Notwithstanding subsection (a) of this section, the Board shall not issue a certificate under this section for such an in-state facility without finding that this subdivision (5)(A) is met. However, this subdivision (5)(A) shall not apply to an electric generation facility the principal effect of which, if approved, would be to remediate a constraint in the electric transmission or distribution system;

(B) with respect to any other in-state facility subject to this section, due consideration ~~having~~ has been given to the criteria specified in 10 V.S.A. §§ 1424a(d) and 6086(a)(1) through (8) and (9)(K) and greenhouse gas impacts.

* * *

(q) When reviewing a facility under this section pursuant to the criteria of 10 V.S.A. § 6086(a), the Public Service Board shall consider the relevant precedents of the former Environmental Board and of the Environmental Division of the Superior Court and shall apply the relevant precedents of the Vermont Supreme Court.

Sec. 7. RETROACTIVE APPLICATION

Notwithstanding 1 V.S.A. §§ 213 and 214, Sec. 6 (new gas and electric purchases, investments, and facilities; certificate of public good) of this act shall apply retroactively to applications that are filed on and after March 1, 2013 and are pending as of this section's effective date.

Sec. 8. 30 V.S.A. § 248 is amended to read:

§ 248. NEW GAS AND ELECTRIC PURCHASES, INVESTMENTS, AND FACILITIES; CERTIFICATE OF PUBLIC GOOD

* * *

(b) Before the Public Service Board issues a certificate of public good as required under subsection (a) of this section, it shall find that the purchase, investment, or construction:

~~(1)(A) with respect to an in-state electric generation facility exceeding 2.2 megawatts, will be in conformance with the duly adopted plans under 24 V.S.A. chapter 117 for the municipality and region in which the facility is located, and due consideration has been given to the land conservation measures contained in the plan of any other affected municipality. Notwithstanding subsection (a) of this section, the Board shall not issue a certificate under this section for such an in-state facility without finding that this subdivision (1)(A) is met. However, this subdivision (1)(A) shall not apply to an electric generation facility the principal effect of which, if approved, would be to remediate a constraint in the electric transmission or distribution system;~~

~~(B) with respect to any other an in-state facility subject to this section, will not unduly interfere with the orderly development of the region with due consideration having been given to the recommendations of the municipal and regional planning commissions, the recommendations of the municipal legislative bodies, and the land conservation measures contained in the plan of any affected municipality. However, with respect to a natural gas transmission line subject to board review, the line shall be in conformance with any applicable provisions concerning such lines contained in the duly adopted regional plan; and, in addition, upon application of any party, the ~~board~~ Board~~

shall condition any certificate of public good for a natural gas transmission line issued under this section so as to prohibit service connections that would not be in conformance with the adopted municipal plan in any municipality in which the line is located;

* * *

(5) with respect to an in-state facility, will not have an undue adverse effect on esthetics, historic sites, air and water purity, the natural environment, the use of natural resources, and the public health and safety ~~and:~~

~~(A) with respect to an in-state electric generation facility exceeding 2.2 megawatts, will comply with the criteria of 10 V.S.A. § 6086(a)(1) (9)(L). Notwithstanding subsection (a) of this section, the Board shall not issue a certificate under this section for such an in-state facility without finding that this subdivision (5)(A) is met. However, this subdivision (5)(A) shall not apply to an electric generation facility the principal effect of which, if approved, would be to remediate a constraint in the electric transmission or distribution system;~~

~~(B) with respect to any other in-state facility subject to this section, with due consideration has having been given to the criteria specified in 10 V.S.A. §§ 1424a(d) and 6086(a)(1) through (8) and (9)(K) and greenhouse gas impacts.~~

* * *

~~(q) When reviewing a facility under this section pursuant to the criteria of 10 V.S.A. § 6086(a), the Public Service Board shall consider the relevant precedents of the former Environmental Board and of the Environmental Division of the Superior Court and shall apply the relevant precedents of the Vermont Supreme Court. [Repealed.]~~

* * * State Lands * * *

Sec. 9. 10 V.S.A. chapter 88 is added to read:

CHAPTER 88. PROHIBITION; COMMERCIAL CONSTRUCTION;
CERTAIN PUBLIC LANDS

§ 2801. POLICY

Vermont's state parks, state forests, natural areas, wilderness areas, wildlife management areas, and wildlife refuges are intended to remain in a natural or wild state forever and shall be protected and managed accordingly.

§ 2802. PROHIBITION

(a) Construction for any commercial purpose, including the generation of electric power, shall not be permitted within any state park or forest,

wilderness area designated by law, or natural area designated under section 2607 of this title.

(b) This section shall not prohibit:

(1) the construction of a concession or other structure for the use of visitors to state parks or forests;

(2) a modification or improvement to a dam in existence as of the effective date of this section, if the modification or improvement is:

(A) to ensure public safety; or

(B) to allow the dam's use for the generation of electricity, and the construction of any power lines and facilities necessary for such use;

(3) the construction of telecommunications facilities, as defined in 30 V.S.A. § 248a(b) (certificate of public good; communications facilities), in accordance with all other applicable state law;

(4) a structure, road, or landing for forestry purposes as may be permitted on a state land;

(5) tapping of maple trees and associated activities on state forestland authorized under a license pursuant to section 2606b of this title; or

(6) construction on state land that is permitted under a lease or license that was in existence on this act's effective date and, in the case of a ski area, the renewal of such a lease or license or its modification to allow expansion of the ski area.

Sec. 10. REPEAL

10 V.S.A. § 2606(c) (state forests; parks; leases for mining or quarrying) is repealed.

* * * Effective Dates * * *

Sec. 11. EFFECTIVE DATES

This act shall take effect on passage, except that:

(1) Sec. 5 (appropriation) of this act shall take effect on July 1, 2013; and

(2) Sec. 8 (new gas and electric purchases, investments, and facilities; certificate of public good) of this act shall take effect on July 1, 2014.

Which was agreed to.

Senator Ashe, for the Committee on Finance, to which the bill was referred, reported the same without recommendation.

Senator Starr, for the Committee on Appropriations, to which the bill was referred, reported that the bill be amended as recommended by the Committee on Natural Resources and Energy with the following amendment thereto:

In Sec. 3 (appropriation) by striking out the words "the General Fund" and inserting in lieu thereof: Special Fund No. 21698 (Department of Public Service; Energy and Regulation Fund)

And that when so amended the bill ought to pass.

Thereupon, pending the question, Shall the recommendation of amendment of the Committee on Natural Resources and Energy be amended as recommended by the Committee on Appropriations?, Senator Starr requested and was granted leave to withdraw the recommendation of amendment.

Thereupon, the bill was read the second time by title only pursuant to Rule 43, and the recommendation of amendment of the Committee on Natural Resources and Energy as substituted, was agreed to.

Thereupon, pending the question, Shall the bill be read a third time?, Senator Zuckerman moved to strike out Secs. 6, 7, 8, and 11 subdivision (2) of the bill which was disagreed to on a roll call, Yeas 15, Nays 16.

Senator Snelling having demanded the yeas and nays, they were taken and are as follows:

Roll Call

Those Senators who voted in the affirmative were: Ashe, Ayer, Baruth, Bray, Cummings, Doyle, Fox, Lyons, MacDonald, Mazza, McCormack, Pollina, Westman, White, Zuckerman.

Those Senators who voted in the negative were: Benning, Campbell, Collins, Flory, French, Galbraith, Hartwell, Kitchel, McAllister, Mullin, Nitka, Rodgers, Sears, Snelling, Starr.

There being a tie, the Secretary took the casting vote of the President, who voted "Nay".

Thereupon, pending the question, Shall the bill be read a third time?, Senator Sears moved that the rules be suspended and that the action taken on the motion of Senator Zuckerman be reconsidered, which was agreed to.

Senator Snelling having demanded the yeas and nays, they were taken and are as follows:

Roll Call

Those Senators who voted in the affirmative were: Ashe, Ayer, Baruth, Bray, Cummings, Doyle, Fox, Lyons, MacDonald, Mazza, McCormack, Pollina, Sears, Westman, White, Zuckerman.

Those Senators who voted in the negative were: Benning, Campbell, Collins, Flory, French, Galbraith, Hartwell, Kitchel, McAllister, Mullin, Nitka, Rodgers, Snelling, Starr.

Thereupon, third reading of the bill was ordered on a roll call Yeas 24, Nays 6.

Senator Lyons having demanded the yeas and nays, they were taken and are as follows:

Roll Call

Those Senators who voted in the affirmative were: Ashe, Ayer, Benning, Bray, Cummings, Doyle, Flory, Fox, French, Galbraith, Hartwell, Kitchel, MacDonald, McCormack, Mullin, Nitka, Pollina, Rodgers, Sears, *Snelling, Starr, Westman, White, Zuckerman.

Those Senators who voted in the negative were: Baruth, Campbell, Collins, Lyons, Mazza, McAllister.

*Senator Snelling explained her vote as follows:

"I'm voting yes to move the legislation forward because the heart of the heart remains and I hope that we can pass this bill to the other Chamber."

Message from the House No. 33

A message was received from the House of Representatives by Ms. H. Gwynn Zakov, its Second Assistant Clerk, as follows:

Mr. President:

I am directed to inform the Senate that:

The House has passed House bills of the following titles:

H. 65. An act relating to limited immunity from liability for reporting a drug or alcohol overdose.

H. 95. An act relating to unclaimed life insurance benefits.

H. 280. An act relating to payment of wages.

H. 513. An act relating to the Department of Financial Regulation.

H. 520. An act relating to reducing energy costs and greenhouse gas emissions.

H. 522. An act relating to strengthening Vermont's response to opioid addiction and methamphetamine abuse.

In the passage of which the concurrence of the Senate is requested.

The House has considered joint resolution originating in the Senate of the following title:

J.R.S. 22. Joint resolution providing for a Joint Assembly to vote on the retention of seven Superior Judges and one Magistrate.

And has adopted the same in concurrence.

Adjournment

On motion of Senator Campbell, the Senate adjourned until eight o'clock and fifty-five minutes in the morning.