

1 TO THE HONORABLE SENATE:

2 The Committee on Natural Resources and Energy to which was referred
3 Senate Bill No. 292 entitled “An act relating to siting of energy facilities”
4 respectfully reports that it has considered the same and recommends that the
5 bill be amended by striking out all after the enacting clause and inserting in
6 lieu thereof the following:

7 Sec. 1. 30 V.S.A. § 248 is amended to read:

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

10 (a) Certificate of public good; obligation and procedure.

11 (1) Electricity; out-of-state purchases and investments. No company, as
12 defined in section 201 of this title, may:

13 (A) in any way purchase electric capacity or energy from outside the
14 State:

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

19 (ii) for a period exceeding ten years, that represents more than ten
20 percent of its historic peak demand, if the purchase is from a plant as defined

1 in subdivision 8002(14) of this title that produces electricity from renewable
2 energy as defined under subdivision 8002(17); or

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

6 (2) In-state electric generation and transmission facilities. Except for
7 the replacement of existing facilities with equivalent facilities in the usual
8 course of business, and except for electric generation facilities that are
9 operated solely for on-site electricity consumption by the owner of those
10 facilities:

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

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

20 (3) Natural gas facilities. No company, as defined in section 201 of this
21 title, and no person, as defined in 10 V.S.A. § 6001(14), may in any way begin

1 site preparation for or commence construction of any natural gas facility,
2 except for the replacement of existing facilities with equivalent facilities in the
3 usual course of business, unless the Public Service Board first finds that the
4 same will promote the general good of the State and issues a certificate to that
5 effect pursuant to this section.

6 (A) ~~For the purposes of~~ In this section, the term “natural gas facility”
7 shall mean any natural gas transmission line, storage facility, manufactured-gas
8 facility, or other structure incident to any of the above. ~~For purposes of~~ In this
9 section, a “natural gas transmission line” shall include any feeder main or any
10 pipeline facility constructed to deliver natural gas in Vermont directly from a
11 natural gas pipeline facility that has been certified pursuant to the Natural Gas
12 Act, 15 U.S.C. § 717 et seq.

13 (B) ~~For the purposes of~~ In this section, the term “company” shall not
14 include a “natural gas company” (including a “person which will be a natural
15 gas company upon completion of any proposed construction or extension of
16 facilities”), within the meaning of the Natural Gas Act, 15 U.S.C. § 717 et seq.;
17 provided, however, that the term “company” shall include any “natural gas
18 company” to the extent it proposes to construct in Vermont a natural gas
19 facility that is not solely subject to federal jurisdiction under the Natural
20 Gas Act.

21 * * *

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

4 * * *

5 (10) except as to a natural gas facility that is not part of or incidental to
6 an electric generating facility;

7 (A) can be served economically by existing or planned transmission
8 facilities without undue adverse effect on Vermont utilities or customers; and

9 (B) as to an in-state electric generation facility, is designed to
10 minimize curtailment of the facility's expected generation and includes any
11 transmission facilities needed to place the facility's expected generation on the
12 regional transmission system without causing congestion;

13 * * *

14 (12) with respect to an in-state facility, will not have a detrimental effect
15 on the value of properties not used for the facility, or the property owner will
16 be compensated for the amount of any reduction in property value. The Board
17 shall have authority to condition a certificate of public good to require such
18 compensation. After construction of an in-state facility subject to a certificate
19 of public good issued under this section, the owner of property not used for the
20 facility shall have the right to petition the Board for a determination that the
21 facility reduces the value of the property, notwithstanding any finding by the

1 Board to the contrary in issuing the certificate, and the Board shall have
2 authority to require the certificate holder to compensate the owner for the
3 amount of the reduced property value, if any.

4 * * *

5 (r) When giving due consideration under this section to the greenhouse gas
6 impacts of an in-state facility, the Board shall consider all greenhouse gas
7 emissions avoided by and related to the facility during its life cycle. The
8 Board shall require a petitioner seeking a certificate of public good under this
9 section for an in-state facility to provide a full accounting of the emissions
10 avoided by and related to the facility.

11 (s) The Board shall not issue a certificate of public good under this section
12 for an in-state facility to be sited on land subject to a permit issued under
13 10 V.S.A. chapter 151 unless one of the following applies:

14 (1) The facility is for the purpose of system reliability.

15 (2) The facility is allowed by and will comply with the terms and
16 conditions of that permit or the applicant has obtained a permit amendment
17 under that chapter authorizing the facility.

18 Sec. 2. 10 V.S.A. § 6001 is amended to read:

19 § 6001. DEFINITIONS

20 In this chapter:

21 * * *

1 (3)(A) “Development” means each of the following:

2 * * *

3 (xi) The construction of improvements for a facility located within the
4 State for which a certificate of public good is required under 30 V.S.A. § 248,
5 if the improvements are for a purpose other than system reliability and will be
6 located on a tract or tracts of land that are subject to a permit issued under this
7 chapter and the improvements would constitute a material change to the
8 permitted project under the rules of the Board.

9 * * *

10 (D) The word “development” does not include:

11 (i) The construction of improvements for farming, logging, or
12 forestry purposes below the elevation of 2,500 feet.

13 (ii) The construction of improvements for an electric generation or
14 transmission facility that requires a certificate of public good under 30 V.S.A.
15 § 248; or for a natural gas facility as defined in 30 V.S.A. § 248(a)(3), unless
16 the provisions of subdivision (3)(C)(xi) of this section apply, or for a
17 telecommunications facility issued a certificate of public good under 30 V.S.A.
18 § 248a.

19 * * *

1 Sec. 3. STATUTORY REVISION

2 In its statutory revision capacity under 2 V.S.A. § 424, the Office of
3 Legislative Council shall insert an internal caption in each subsection of
4 30 V.S.A. § 248 not amended by Sec. 1 of this act that reflects the subsection's
5 subject matter.

6 Sec. 4. EFFECTIVE DATE

7 This act shall take effect on July 1, 2014.

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12

13 (Committee vote: _____)

14

15

Senator [surname]

16

FOR THE COMMITTEE