

1 H.286

2 Introduced by Representative McCormack of Burlington

3 Referred to Committee on

4 Date:

5 Subject: Energy; public service; energy efficiency; electric heat; heat pump
6 incentives

7 Statement of purpose of bill as introduced: This bill proposes to prohibit the
8 use of funds from the Electric Efficiency Fund to give incentives for air source
9 or geothermal heat pumps in buildings where electric resistance heat is to be
10 installed.

11 An act relating to prohibiting incentives for heat pumps if electric resistance
12 heat is to be installed

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

14 Sec. 1. 30 V.S.A. § 209(d)(3) is amended to read:

15 (3) Energy efficiency charge; regulated fuels. In addition to its existing
16 authority, the Board may establish by order or rule a volumetric charge to
17 customers for the support of energy efficiency programs that meet the
18 requirements of section 218c of this title. The charge shall be known as the
19 energy efficiency charge, shall be shown separately on each customer's bill,
20 and shall be paid to a fund administrator appointed by the Board and deposited

1 into an Electric Efficiency Fund. When such a charge is shown, notice as to
2 how to obtain information about energy efficiency programs approved under
3 this section shall be provided in a manner directed by the Board. This notice
4 shall include, at a minimum, a toll-free telephone number, and to the extent
5 feasible shall be on the customer's bill and near the energy efficiency charge.

6 * * *

7 (C) The Board may authorize the use of funds raised through an
8 energy efficiency charge on electric ratepayers to reduce the use of fossil fuels
9 for space heating by supporting electric technologies that may increase electric
10 consumption, such as air source or geothermal heat pumps if, after
11 investigation, it finds that deployment of the technology:

12 (i) ~~will~~ Will be beneficial to electric ratepayers as a whole;

13 (ii) ~~will~~ Will result in cost-effective energy savings to the end-user
14 and to the State as a whole;

15 (iii) ~~will~~ Will result in a net reduction in State energy consumption
16 and greenhouse gas emissions on a life-cycle basis and will not have a
17 detrimental impact on the environment through other means such as release of
18 refrigerants or disposal. In making a finding under this subdivision, the Board
19 shall consider the use of the technology at all times of year and any likely new
20 electricity demand created by such use;

1 (iv) ~~will~~ Will be part of a comprehensive energy efficiency and
2 conservation program that meets the requirements of subsections (d)–(g) of
3 this section and that makes support for the technology contingent on the energy
4 performance of the building in which the technology is to be installed. The
5 building’s energy performance shall achieve or shall be improved to achieve an
6 energy performance level that is approved by the Board and that is consistent
7 with meeting or exceeding the goals of 10 V.S.A. § 581 (building efficiency);~~;~~

8 (v) ~~among~~ Among the product models of the technology that are
9 suitable for use in Vermont, will employ the product models that are the most
10 efficient available;~~;~~

11 (vi) ~~will~~ Will be promoted in conjunction with demand
12 management strategies offered by the customer’s distribution utility to address
13 any increase in peak electric consumption that may be caused by the
14 deployment;~~;~~

15 (vii) ~~will~~ Will be coordinated between the energy efficiency and
16 distribution utilities, consistent with subdivision (f)(5) of this section;~~and.~~

17 (viii) ~~will~~ Will be supported by an appropriate allocation of funds
18 among the funding sources described in this subsection (d) and subsection (e)
19 of this section. In the case of measures used to increase the energy
20 performance of a building in which the technology is to be installed, the Board
21 shall assume installation of the technology in the building and then determine

1 the allocation according to the proportion of the benefits provided to the
2 regulated fuel and unregulated fuel sectors. In this subdivision (viii),
3 “regulated fuel” and “unregulated fuel” shall have the same meaning as under
4 subsection (e) of this section.

5 (ix) In the case of air source and geothermal heat pumps, will not
6 provide energy to a building where electric resistance heat is or will be
7 installed.

8 Sec. 2. EFFECTIVE DATE

9 This act shall take effect on July 1, 2015.