

1 TO THE HONORABLE SENATE:

2 The Committee on Natural Resources and Energy to which was referred House
3 Bill No. 40 entitled “An act relating to establishing a renewable energy
4 standard and energy transformation program” respectfully reports that it has
5 considered the same and recommends that the Senate propose to the House that
6 the bill be amended as follows:

7 First: In Sec. 2, 30 V.S.A. § 8004, in subsection (a), by striking out the last
8 the last sentence, and inserting in lieu thereof:

9 A retail electricity provider may meet ~~this requirement~~ the required amounts
10 of renewable energy through eligible ~~new~~ tradeable renewable energy credits
11 that it owns and retires, ~~new~~ eligible renewable energy resources with
12 ~~renewable energy credits~~ environmental attributes still attached, or a
13 combination of those credits and resources.

14 Second: In Sec. 2, 30 V.S.A. § 8004, by striking out subsection (b) and
15 inserting in lieu thereof a new subsection (b) to read:

16 ~~(d)~~(b) Rules. The Board shall ~~provide, by order or rule,~~ adopt the
17 ~~regulations and procedures~~ rules that are necessary to allow the Board and the
18 Department to implement and supervise further the implementation and
19 maintenance of a ~~renewable portfolio standard~~ the RESET program.

1 Third: In Sec. 3, 30 V.S.A. § 8005, in subdivision (a)(3), in subdivision
2 (D), in the first sentence, by striking out “or procedures”, and in subdivision
3 (F), by striking out each occurrence of “or procedures”.

4 Fourth: In Sec. 3, 30 V.S.A. § 8005, in subdivision (a)(3)(E), after
5 subdivision (ii), by inserting a subdivision (iii) to read:

6 (iii) To meet the requirements of this subdivision (3), one or more
7 retail electricity providers may jointly propose with an energy efficiency entity
8 appointed under subdivision 209(d)(2) of this title an energy transformation
9 project or group of such projects. The proposal shall include standards of
10 measuring performance and methods to allocate savings and reductions in
11 fossil fuel consumption and greenhouse gas emissions among each
12 participating provider and efficiency entity.

13 Fifth: In Sec. 3, 30 V.S.A. § 8005, in subdivision (a)(3)(F), by striking out
14 subdivision (viii) and inserting in lieu thereof a new subdivision (viii) to read:

15 (viii) To ensure that, if an energy transformation project will
16 increase the use of electric energy, the project incorporates best practices for
17 demand management, uses technologies appropriate for Vermont, and
18 encourages the installation of the technologies in buildings that meet minimum
19 energy performance standards.

20 Sixth: In Sec. 3, 30 V.S.A. § 8005, in subdivision (a)(3)(G)(i), by striking
21 out “strict”.

1 Seventh: In Sec. 3, 30 V.S.A. § 8005, in subdivision (d)(1), by striking out
2 “of Portland, Maine”.

3 Eighth: In Sec. 4, 30 V.S.A. § 8005a, in subdivision (k)(3), in the last
4 sentence, after “purchasing power” by striking out “from” and inserting in lieu
5 thereof generated by.

6 Ninth: In Sec. 6, 30 V.S.A. § 8005b, by striking out subsection (b) and
7 inserting in lieu thereof a new subsection (b) to read:

8 (b) The annual report under this section shall include at least each of the
9 following:

10 (1) An assessment of the costs and benefits of the RESET Program
11 based on the most current available data, including rate and economic impacts,
12 customer savings, technology deployment, greenhouse gas emission reductions
13 actually achieved, fuel price stability, and effect on transmission and
14 distribution upgrade costs, and any recommended changes based on this
15 assessment.

16 (2) Projections, looking at least 10 years ahead, of the impacts of the
17 RESET Program. The Department shall employ an economic model to make
18 these projections and shall consider at least three scenarios based on high,
19 mid-range, and low energy price forecasts. The Department shall project, for
20 the State, the RESET Program’s impact in each of the following areas: electric
21 utility rates; total energy consumption; electric energy consumption; fossil fuel

1 consumption; and greenhouse gas emissions. The report shall compare the
2 amount or level in each of these areas with and without the Program.

3 (3) An assessment of whether the requirements of the RESET
4 Program have been met to date, and any recommended changes needed to
5 achieve those requirements.

6 Tenth: In Sec. 6, 30 V.S.A. § 8005b, in subsection (c), by striking out
7 subdivision (8) and by renumbering the remaining subdivision to be
8 numerically correct.

9 Eleventh: By striking out Sec. 8 (Public Service Board rulemaking) and
10 inserting in lieu thereof a new Sec. 8 to read:

11 Sec. 8. PUBLIC SERVICE BOARD IMPLEMENTATION

12 (a) Commencement. On or before August 31, 2015, the Public Service
13 Board (the Board) shall commence a proceeding to implement Secs. 2 (sales of
14 electric energy; RESET Program), 3 (RESET Program categories), and 7
15 (tradeable renewable energy credits) of this act.

16 (b) Notice; comment; workshop. The proceeding shall include one or more
17 workshops to solicit the input of potentially affected parties and the public.

18 The Board shall provide notice of the workshops on its website and directly to
19 the Department, Vermont's retail electricity providers, Renewable Energy
20 Vermont, business organizations such as Associated Industries of Vermont,
21 environmental and consumer advocacy organizations such as the Vermont

1 Natural Resources Council and the Vermont Public Interest Research Group,
2 and to any other person that requests direct notice or to whom the Board may
3 consider direct notice appropriate. The Board also shall provide an
4 opportunity for submission of written comments, which the notice shall
5 include.

6 (c) Procedures; order. On or before July 1, 2016, the Board shall by order
7 adopt initial procedures to implement Secs. 2, 3, and 7 of this act to take effect
8 on January 1, 2017.

9 (d) On or before July 1, 2017, the Board shall commence rulemaking to
10 implement Secs. 2, 3, and 7 of this act. The Board shall finally adopt these
11 rules within eight months of commencing rulemaking, unless this period is
12 extended by the Legislative Committee on Administrative Rules under
13 3 V.S.A. § 843.

14 (e) Assistance. The Board and the Department of Public Service may
15 retain experts and other personnel to assist them with the proceedings and
16 rulemaking under this section and allocate the costs of these personnel to the
17 electric distribution utilities in accordance with the process under 30 V.S.A.
18 § 21.

1 “Individual customer accounts may enroll in more than one group net
2 metering arrangement at one time. Any allocation of credits for energy
3 generation to a customer enrolled in multiple group net metering arrangements
4 shall not exceed the customer’s anticipated consumption of energy supplied by
5 the service electric company.”

6 (b) On or before August 1, 2015, the Public Service Board shall conform
7 the published version of the rules described in this section to the requirements
8 of subsection (a) of this section. Provided that the only revision to those rules
9 is the change required by subsection (a) of this section, the rulemaking
10 procedures of the Vermont Administrative Procedure Act shall not apply to the
11 publication of this conformed version of the rules. However, on publication,
12 the Board shall send a copy of the conformed version of the rules to the Office
13 of the Secretary of State and the Legislative Committee on Administrative
14 Rules.

15 Thirteenth: In Sec. 12, 30 V.S.A. § 8010(c), in subdivision (2)(F), by
16 striking out the third sentence and inserting in lieu thereof:

17 For example, a **monthly** credit amount may be higher if taken over 10 years
18 and lower if taken over 20 years.

19 Fourteenth: By striking Sec. 14a in its entirety and inserting in lieu thereof
20 [Deleted.]

1 Fifteenth: By striking out Sec. 14b in its entirety and inserting lieu thereof a
2 new Sec. 14b to read:

3 Sec. 14b. JOINT ENERGY COMMITTEE; RECOMMENDATION

4 (a) On or before February 15, 2016, the Joint Energy Committee under
5 2 V.S.A. chapter 17 shall submit a recommendation to the House Committee
6 on Commerce and Economic Development, Senate Committee on Finance,
7 House Committee on Ways and Means, and House and Senate Committees on
8 Natural Resources and Energy on:

9 (1) what revisions, if any, the Committee recommends that the General
10 Assembly enact with respect to the statutes applicable to energy efficiency
11 entities appointed and charges imposed under 30 V.S.A. § 209(d);

12 (2) what legislation, if any, the Committee recommends that the General
13 Assembly enact to clarify or alter the relationship of energy efficiency entities
14 and charges under 30 V.S.A. § 209(d) with the energy transformation category
15 adopted under Sec. 3 of this act, 30 V.S.A. § 8005(a); and

16 **(3) what legislation, if any, the Committee recommends that the**
17 **General Assembly enact regarding the adoption by municipalities of**
18 **setback and screening requirements for solar electric generation.**

19 (b) Prior to submitting its recommendation under this section, the Joint
20 Energy Committee shall offer an opportunity for comment by affected State

1 agencies; utilities; appointed energy efficiency entities; advocates for business,
2 consumer, and environmental interests; and members of the public.

3 (c) For the purpose of this section, the Joint Energy Committee:

4 (1) may meet no more than four times during adjournment without prior
5 approval of the Speaker of the House and the President Pro Tempore of the
6 Senate; and

7 (2) shall have the administrative, technical, and professional assistance
8 of the Office of Legislative Council and the Joint Fiscal Office.

9 Sixteenth: In Sec. 19, 30 V.S.A. § 248(b), by striking out subdivision (9)
10 and inserting a new subdivision (9) to read:

11 (9) with respect to a waste to energy facility;

12 (A) is included in a solid waste management plan adopted pursuant to
13 24 V.S.A. § 2202a, which is consistent with the State Solid Waste
14 Management Plan; and

15 (B) is included in a solid waste management plan adopted pursuant to
16 24 V.S.A. § 2202a for the municipality and solid waste district from which
17 1,000 tons or more per year of the waste is to originate, if that municipality or
18 district owns an operating facility that already beneficially uses a portion of the
19 waste;

20 Seventeenth: In Sec. 21, 30 V.S.A. § 8001(b), by striking out “and
21 procedures” and inserting in lieu thereof ~~and procedures~~.

1 Eighteenth: After Sec. 26, by inserting a reader guide and Secs. 26a and
2 26b to read:

3 * * * Solar Plants; Municipal Setback and Screening Requirements * * *

4 Sec. 26a. 24 V.S.A. § 4414(15) is added to read:

5 (15) Solar plants; setbacks; screening. Notwithstanding any contrary
6 provision of section 4413 of this title or 30 V.S.A. chapter 5 or 89, a
7 municipality may adopt bylaws that require a plant that generates electricity
8 from solar energy to comply with setback and screening requirements. These
9 requirements shall not prohibit or have the effect of prohibiting the installation
10 of such a plant and shall not have the effect of interfering with its intended
11 functional use. In this section, “plant” shall have the same meaning as in
12 30 V.S.A. § 8002 and “screening” includes landscaping, vegetation, fencing,
13 and topographic features.

14 Sec. 26b. REPORT; TOWN ADOPTION OF SOLAR SETBACKS,
15 SCREENING

16 (a) On or before January 15, 2018, the Commissioner (the Commissioner)
17 of Housing and Community Development shall submit a report to the House
18 and Senate Committees on Natural Resources and Energy that:

19 (1) identifies the municipalities that have adopted setback or screening
20 requirements, or both, pursuant to Sec. 26a of this act, 24 V.S.A § 4414(15);

21 (2) summarizes these adopted setback and screening requirements; and

1 (3) provides the number of applications made under 24 V.S.A.
2 § 4414(15) and itemizes their disposition and status.

3 (b) Each municipality adopting a bylaw under 24 V.S.A. § 4414(15) shall
4 provide the Commissioner, on request, with information needed to complete
5 the report required by this section.

6 Nineteenth: By striking out Sec. 28 (effective dates), and inserting in lieu
7 thereof a new Sec. 28 to read:

8 Sec. 28. EFFECTIVE DATES

9 (a) This section and Secs. 8 (Public Service Board rulemaking),
10 10 (Forests, Parks and Recreation rulemaking), 14b (joint energy committee;
11 recommendation), 18 (net metering pilot project), and 27 (severability) shall
12 take effect on passage. Notwithstanding 1 V.S.A. § 214, Sec. 18 shall apply to
13 facilities for which an application for a certificate of public good is pending as
14 of its effective date.

15 (b) Secs. 1 through 7, 9, 10a, 10b, 11, 13, 14, 15 through 17, 19, 20, and 21
16 through 26 shall take effect on July 1, 2015. Sec. 11 (net metering systems;
17 environmental attributes) shall not apply to complete applications filed prior to
18 its effective date.

19 (c) Secs. 26a (solar setbacks and screening) and 26b (report) shall take
20 effect on July 1, 2016.

1 (d) Sec. 12 (net metering systems; environmental attributes) shall amend
2 30 V.S.A. § 8010 as added effective January 1, 2017 by 2014 Acts and
3 Resolves No. 99, Sec. 4. Sec. 12 shall take effect on January 2, 2017, except
4 that, notwithstanding 1 V.S.A. § 214, the section shall apply to the Public
5 Service Board process under 2014 Acts and Resolves No. 99, Sec. 5. Sec. 12
6 shall not affect a net metering system for which a complete application was
7 filed before January 1, 2017.

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10 (Committee vote: _____)

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Senator _____
FOR THE COMMITTEE