

1 TO THE HONORABLE SENATE:

2 The Committee on Finance to which was referred Senate Bill No. 230
3 entitled “An act relating to improving the siting of energy projects”
4 respectfully reports that it has considered the same and recommends that the
5 bill be amended as follows:

6 *Requested by Sen. Ashe (new language in bold):*

7 First: In Sec. 2, 24 V.S.A. § 4302, in subsection (c), by striking out
8 subdivision (7) in its entirety and inserting in lieu thereof a new subdivision (7)
9 to read:

10 (7) To encourage the efficient use of energy and the development of
11 renewable energy resources, consistent with the following:

12 (A) Vermont’s greenhouse gas reduction goals under 10 V.S.A.
13 § 578(a);

14 (B) Vermont’s 25 by 25 goal for renewable energy under 10 V.S.A.
15 § 580;

16 (C) Vermont’s building efficiency goals under 10 V.S.A. § 581;

17 (D) State energy policy under 30 V.S.A. § 202a and the specific
18 recommendations identified in the State energy plans adopted pursuant to
19 30 V.S.A. §§ 202 and 202b pertaining to the efficient use of energy and the
20 siting and development of renewable energy resources;

1 **(E) the principles of least cost integrated planning as defined in**
2 **30 V.S.A. § 218c; and**

3 **(F) the distributed renewable generation and energy transformation**
4 **categories of resources to meet the requirements of the Renewable Energy**
5 **Standard under 30 V.S.A. §§ 8004 and 8005.**

6 *Requested by Sens. Ashe and Sirotkin:*

7 Second: In Sec. 4, 24 V.S.A. § 4345a, by striking out subdivision (14) in its
8 entirety and inserting in lieu thereof a new subdivision (14) to read:

9 (14) With respect to proceedings under 30 V.S.A. § 248:

10 (A) have the right to appear and participate; and

11 (B) ~~Appear~~ appear before the Public Service Board to aid the Board
12 in making determinations under 30 V.S.A. § 248 that statute when requested
13 by the Board.

14 Third: By striking out Sec. 5 (clarification of existing law) and inserting in
15 lieu thereof:

16 Sec. 5. [Deleted.]

17 *Technical correction*

18 Fourth: In Sec. 7, 24 V.S.A. § 4352, in subsection (b) (municipal plan
19 certification), in the third sentence, by striking out the second occurrence of
20 “regional” and inserting in lieu thereof municipal

21 *Requested by Sen. Westman:*

1 Fifth: In Sec. 9, 30 V.S.A. § 202, after the last ellipsis, by inserting a
2 subsection (j) to read:

3 (j) For the purpose of assisting in the development of land use plans under
4 24 V.S.A. chapter 117, the Director shall provide municipal and regional
5 planning commissions with information detailing the location of electric
6 transmission and distribution infrastructure in the relevant municipality or
7 region and the capacity of that infrastructure to accept additional electric
8 generation facilities without modification. In providing this information, the
9 Director shall be entitled to the assistance of the electric utilities that own
10 electric transmission or distribution systems, or both, located in Vermont,
11 including the ability to obtain from those utilities such data as the Director
12 considers necessary to discharge his or her duties under this subsection.

13 Correction:

14 Sixth: In Sec. 11, initial implementation; certification standards, in
15 subsection (b), in the second sentence, after “these” by striking out “polocies
16 and procedures” and inserting in lieu thereof recommendations and standards

17 Requested by Sen. Lyons:

18 Seventh: After Sec. 11 by inserting a Sec. 11a to read:

19 Sec. 11a. TRAINING

20 Following publication of the recommendations and standards under
21 Sec. 11(a) of this act, the Department of Public Service shall conduct a series

1 of training sessions in locations across the State for municipal and regional
2 planning commissions to assist them in the development of land use plans that
3 are eligible for certification under Sec. 7 of this act, 24 V.S.A. § 4352. The
4 Department shall develop and present these workshops in collaboration with
5 the Vermont League of Cities and Towns and the Vermont Association of
6 Planning and Development Agencies. The Department shall ensure that all
7 municipal and regional planning commissions receive prior notice of the
8 workshops.

9 *Requested by Sen. Sirotkin:*

10 Eighth: In Sec. 12, 30 V.S.A. § 248(b), after the ellipsis, by inserting
11 subdivision (5) to read:

12 (5) With respect to an in-state facility, will not have an undue adverse
13 effect on esthetics, historic sites, air and water purity, the natural environment,
14 the use of natural resources, and the public health and safety, with due
15 consideration having been given to the criteria specified in 10 V.S.A.
16 §§ 1424a(d) and 6086(a)(1) through (8) and (9)(K), impacts to primary
17 agricultural soils as defined in 10 V.S.A. § 6001 and to forest health and
18 integrity, and greenhouse gas impacts. In giving due consideration to impacts
19 to primary agricultural soils, the Board shall explain how 10 V.S.A. §
20 6086(a)(9)(B) would apply to the facility and shall state the rationale for its
21 decision.

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Requested by Sen. Lyons (new language in bold):

Ninth: By striking out Sec. 14 in its entirety and by inserting in lieu thereof a new Sec. 14 to read:

(g) Preferred locations. With respect to a renewable energy plant to be located in the State whose energy or environmental attributes may be used to satisfy the requirements of the RES, the Board shall exercise its authority under this section and sections 8005 and 8006 of this title to promote siting such a plant in a preferred location, **including for this purpose authority to create a subcategory within a category of the RES established in section 8005 of this title or to adjust the value of a tradeable renewable energy credit or the structure of the system of such credits to be established under section 8006 of this title.**

Requested by Sen. Lyons:

Tenth: By striking out Secs. 18 and 19 and inserting in lieu thereof new Secs. 18 and 19 to read:

Sec. 18. 30 V.S.A. § 3 is amended to read:

§ 3. PUBLIC SERVICE BOARD

(a) The ~~public service board~~ Public Service Board shall consist of a ~~chairperson~~ chair and two members. The ~~chairperson~~ Chair and each member shall not be required to be admitted to the practice of law in this ~~state~~ State.

1 * * *

2 (g) The ~~chairperson~~ Chair shall have general charge of the offices and
3 employees of the ~~board~~ Board.

4 (h) The Board shall create forms and templates for motions to intervene,
5 prefiled testimony, and other types of documents commonly filed with the
6 Board, which the PAO shall provide to a person on request. The Board shall
7 post these forms and templates on the Board's website.

8 (i) For each proceeding before it, the Board shall post, on its website,
9 electronic copies of all filings and submissions to the Board and all orders of
10 the Board.

11 Sec. 19. [Deleted.]

12 *Requested by Sen. Sirotkin:*

13 Eleventh: In Sec. 20, 30 V.S.A. § 248(a)(4), by striking out subdivision (F)
14 and inserting in lieu thereof a new subdivision (F) to read:

15 (F) The following shall apply to the participation of the Agency of
16 Agriculture, Food and Markets in proceedings held under this subsection:

17 (i) In any proceeding regarding an electric generation facility that
18 will have a capacity greater than 150 kilowatts and will be sited on a tract
19 containing primary agricultural soils as defined in 10 V.S.A. § 6001, the
20 Agency shall appear as a party and provide evidence and recommendations
21 concerning any findings to be made under subdivision (b)(5) of this section on

1 those soils, and may provide evidence and recommendations concerning any
2 other matters to be determined by the Board in such a proceeding.

3 (ii) In a proceeding other than one described subdivision (4)(F)(i)
4 of this subsection, the Agency shall have the right to appear and participate.

5 *Requested by Sen. Lyons:*

6 Twelfth: By striking out Sec. 22 in its entirety and inserting in lieu thereof
7 new Secs. 22 and 22a to read:

8 Sec. 22. 30 V.S.A. § 248(t) is added read:

9 (t) The Board shall adopt rules applicable to in-state facilities approved
10 under this section.

11 (1) With respect to all measures required to be undertaken to mitigate
12 the impacts of such a facility on aesthetics and scenic beauty, the rules shall:

13 (A) ensure that there is post-construction inspection and monitoring
14 to determine whether all required mitigation measures have been undertaken
15 and required plantings have been installed, including such inspection and
16 monitoring of facilities approved prior to the effective date of this subsection;

17 *[Note: above highlighted language based on request from Sen.*

18 *Westman]*

19 (B) ensure that the holder of a certificate for such a facility has an
20 enforceable right to install and maintain all required plantings and manage all

1 vegetation used to demonstrate the facility will not have an undue adverse
2 effect on aesthetics;

3 (C) after installation of all required plantings, require annual
4 submission for a period to be determined by the Board of documentation that
5 the plantings have been maintained in accordance with the approved plans; and

6 (D) ensure that the holder of a certificate for such a facility has an
7 ongoing duty to maintain the plantings in accordance with the approved plans
8 and replace dead or diseased plantings as soon as seasonably possible.

9 (2) With respect to decommissioning of electric generation facilities, the
10 rules:

11 (A) shall ensure that all such facilities with a plant capacity as
12 defined in section 8002 of this title greater than 150 kilowatts are subject to a
13 decommissioning plan approved by the Board;

14 (B) shall ensure that all such facilities above a plant capacity to be
15 determined by the Board post a bond or offer other security or financial
16 assurance acceptable to the Board that is sufficient to finance the
17 decommissioning activities in full; and

18 (C) may allow net metering systems as defined in this title to pool or
19 otherwise aggregate the provision of security or other financial assurance to
20 finance those decommissioning activities.

1 (3) With respect to sound created by a wind generation facility, the
2 rules:

3 (A) shall establish maximum limits at the nearest exterior wall of a
4 residence to the facility and the nearest interior bedroom to the facility; and

5 (B) shall require continuous monitoring of the facility’s compliance
6 with these limits, at the expense of the certificate holder, with the results
7 available to the public online.

8 Sec. 22a. RULES; PETITION

9 (a) On or before August 1, 2016, the Department of Public Service shall
10 file a petition for rulemaking with the Public Service Board containing
11 proposed rules to implement Sec. 22 of this act, 30 V.S.A. § 248(t).

12 (b) On or before September 15, 2016, the Public Service Board shall file
13 proposed rules to implement Secs. 22 of this act with the Secretary of State
14 under 3 V.S.A. § 838. The Board shall finally adopt such rules on or before
15 June 15, 2016, unless such deadline is extended by the Legislative Committee
16 on Administrative Rules pursuant to 3 V.S.A. § 843(c).

17 Thirteenth: In Sec. 23, in the catch line, by striking out “248(v)” and
18 inserting in lieu thereof: 248(u)

19 Fourteenth: By striking out Sec. 24 (sound standards docket; completion
20 date) and inserting in lieu thereof:

21 Sec. 24. [Deleted.]

1 Requested by Sen. Lyons:

2 Fifteenth: After Sec. 26 by inserting a Sec. 26a to read:

3 Sec. 26a. 30 V.S.A. § 218d(d) is amended to read:

4 (d) Alternative regulation may include such changes or additions to,
5 waivers of, or alternatives to, traditional rate-making procedures, standards,
6 and mechanisms, including substantive changes to rate base-rate of return rate
7 setting, as the ~~board~~ Board finds will promote the public good and will support
8 the required findings in subsection (a) of this section. In addition, the Board
9 shall not allow a company to set aside funds collected from ratepayers for the
10 purpose of supporting a future expansion or upgrade of its transmission or
11 distribution network except after notice and opportunity for hearing and only if
12 all of the following apply:

13 (1) There is a cost estimate for the expansion or upgrade that the
14 company demonstrates is consistent with the principles of least cost integrated
15 planning as defined in section 218c of this title.

16 (2) The amount of such funds does not exceed 10 percent of the
17 estimated cost of the expansion or upgrade.

18 (3) Interest earned on the funds is credited to the ratepayers.

19 (4) The funds are not disbursed to the company until after expansion or
20 upgrade is in service.

1 (5) The funds are not used to defray any portion of the costs of
2 expansion or upgrade in excess of the cost estimate described in subdivision
3 (1) of this subsection.

4 Sixteenth: In Sec.27 (effective dates), by inserting a subdivision (3) to read:

5 (3) Sec. 22a (rules; petition) shall take effect on passage and Sec. 22
6 (rules) shall apply to the implementation of Sec. 22a.

7 (4) In Sec. 18, 30 V.S.A. § 3(i) (posting online; filings and orders) shall
8 take effect on July 1, 2017.

9
10 (Committee vote: _____)

11 _____
12 Senator _____

13 FOR THE COMMITTEE

