

**S.230 – ENERGY DEVELOPMENT IMPROVEMENT ACT  
STATUTES INCORPORATED IN SEC. 2,  
PROPOSED 24 V.S.A. § 4302(c)(7)**

Office of Legislative Council March 16, 2016

A. “Vermont’s greenhouse gas reduction goals under 10 V.S.A. § 578(a)”

*10 V.S.A. § 578(a)*

(a) General goal of greenhouse gas reduction. It is the goal of the state to reduce emissions of greenhouse gases from within the geographical boundaries of the state and those emissions outside the boundaries of the state that are caused by the use of energy in Vermont in order to make an appropriate contribution to achieving the regional goals of reducing emissions of greenhouse gases from the 1990 baseline by:

- (1) 25 percent by January 1, 2012;
- (2) 50 percent by January 1, 2028;
- (3) if practicable using reasonable efforts, 75 percent by January 1, 2050.

B. “Vermont’s 25 by 25 goal for renewable energy under 10 V.S.A. § 580”

*10 V.S.A. § 580*

**§ 580. 25 BY 25 STATE GOAL**

(a) It is a goal of the state, by the year 2025, to produce 25 percent of the energy consumed within the state through the use of renewable energy sources, particularly from Vermont's farms and forests.

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C. “Vermont’s building efficiency goals under 10 V.S.A. § 581”

*10 V.S.A. § 581*

**§ 581. BUILDING EFFICIENCY GOALS**

It shall be goals of the State:

(1) To improve substantially the energy fitness of at least 20 percent of the State's housing stock by 2017 (more than 60,000 housing units), and 25 percent of the State's housing stock by 2020 (approximately 80,000 housing units).

(2) To reduce annual fuel needs and fuel bills by an average of 25 percent in the housing units served.

(3) To reduce total fossil fuel consumption across all buildings by an additional one-half percent each year, leading to a total reduction of six percent annually by 2017 and 10 percent annually by 2025.

(4) To save Vermont families and businesses a total of \$1.5 billion on their fuel bills over the lifetimes of the improvements and measures installed between 2008 and 2017.

(5) To increase weatherization services to low income Vermonters by expanding the number of units weatherized, or the scope of services provided, or both, as revenue becomes available in the Home Weatherization Assistance Fund.

D. “State energy policy under 30 V.S.A. § 202a”

*30 V.S.A. § 202a*

#### § 202a. STATE ENERGY POLICY

It is the general policy of the state of Vermont:

(1) To assure, to the greatest extent practicable, that Vermont can meet its energy service needs in a manner that is adequate, reliable, secure and sustainable; that assures affordability and encourages the state's economic vitality, the efficient use of energy resources and cost effective demand side management; and that is environmentally sound.

(2) To identify and evaluate on an ongoing basis, resources that will meet Vermont's energy service needs in accordance with the principles of least cost integrated planning; including efficiency, conservation and load management alternatives, wise use of renewable resources and environmentally sound energy supply.

E. “the distributed renewable generation and energy transformation categories of resources to meet the requirements of the Renewable Energy Standard under 30 V.S.A. §§ 8004 and 8005”

*30 V.S.A. § 8004*

#### § 8004. SALES OF ELECTRIC ENERGY; RENEWABLE ENERGY STANDARD (RES)

(a) Establishment; requirements. The RES is established. Under this program, a retail electricity provider shall not sell or otherwise provide or offer to sell or provide electricity in the State of Vermont without ownership of sufficient energy produced by renewable energy plants or sufficient tradeable renewable energy credits from plants whose energy is capable of delivery in New England that reflect the required amounts of renewable energy set forth in section 8005 of this title or without support of energy transformation projects in accordance with that section. A retail electricity provider may meet the required amounts of renewable energy through eligible tradeable renewable energy credits that it owns and retires, eligible renewable energy resources with environmental attributes still attached, or a combination of those credits and resources.

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*30 V.S.A. § 8005*

## § 8005. RES CATEGORIES

(a) Categories. This section specifies three categories of required resources to meet the requirements of the RES established in section 8004 of this title: total renewable energy, distributed renewable generation, and energy transformation.

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### (2) Distributed renewable generation.

(A) Purpose; establishment. This subdivision establishes a distributed renewable generation category for the RES. This category encourages the use of distributed generation to support the reliability of the State's electric system; reduce line losses; contribute to avoiding or deferring improvements to that system necessitated by transmission or distribution constraints; and diversify the size and type of resources connected to that system. This category requires the use of renewable energy for these purposes to reduce environmental and health impacts from air emissions that would result from using other forms of generation.

(B) Definition. As used in this section, "distributed renewable generation" means one of the following:

(i) a renewable energy plant that is new renewable energy; has a plant capacity of five MW or less; and

(I) is directly connected to the subtransmission or distribution system of a Vermont retail electricity provider; or

(II) is directly connected to the transmission system of an electric company required to submit a Transmission System Plan under subsection 218c(d) of this title, if the plant is part of a plan approved by the Board to avoid or defer a transmission system improvement needed to address a transmission system reliability deficiency identified and analyzed in that Plan; or

(ii) a net metering system approved under the former section 219a or under section 8010 of this title if the system is new renewable energy and the interconnecting retail electricity provider owns and retires the system's environmental attributes.

(C) Required amounts. The required amounts of distributed renewable generation shall be one percent of each retail electricity provider's annual retail electric sales during the year beginning January 1, 2017, increasing by an additional three-fifths of a percent each subsequent January 1 until reaching 10 percent on and after January 1, 2032.

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### (3) Energy transformation.

(A) Purpose; establishment. This subdivision establishes an energy transformation category for the RES. This category encourages Vermont retail electricity providers to support additional distributed renewable generation or to support other projects to reduce fossil fuel consumed by their customers and the emission of greenhouse gases attributable to that consumption. A retail electricity provider may satisfy the energy transformation requirement through distributed renewable generation in addition to the generation used to satisfy subdivision (a)(2) of this section or energy transformation projects or a combination of such generation and projects.

(B) Required amounts. For the energy transformation category, the required amounts shall be two percent of each retail electricity provider's annual retail electric sales during the year beginning January 1, 2017, increasing by an additional two-thirds of a percent each subsequent January 1 until reaching 12 percent on and after January 1, 2032. However, in the case of a provider that is a municipal electric utility serving not more than 6,000 customers, the required amount shall be two percent of the provider's annual retail sales beginning on January 1, 2019, increasing by an additional two-thirds of a percent each subsequent January 1 until reaching 10 and two-thirds percent on and after January 1, 2032. Prior to January 1, 2019, such a municipal electric utility voluntarily may engage in one or more energy transformation projects in accordance with this subdivision (3).

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