

1 TO THE HONORABLE SENATE:

2 The Committee on Natural Resources and Energy to which was referred  
3 Senate Bill No. 230 entitled “An act relating to improving the siting of energy  
4 projects” respectfully reports that it has considered the same and recommends  
5 that the bill be amended by striking out all after the enacting clause and  
6 inserting in lieu thereof the following:

7 \* \* \* Designation \* \* \*

8 Sec. 1. DESIGNATION OF ACT

9 This act shall be referred to as the Energy Development Improvement Act.

10 \* \* \* Integration of Energy and Land Use Planning \* \* \*

11 Sec. 2. 24 V.S.A. § 4302 is amended to read:

12 § 4302. PURPOSE; GOALS

13 \* \* \*

14 (c) In addition, this chapter shall be used to further the following specific  
15 goals:

16 (1) To plan development so as to maintain the historic settlement pattern  
17 of compact village and urban centers separated by rural countryside.

18 (A) Intensive residential development should be encouraged  
19 primarily in areas related to community centers, and strip development along  
20 highways should be discouraged.

1           (B) Economic growth should be encouraged in locally designated  
2 growth areas, employed to revitalize existing village and urban centers, or  
3 both, and should be encouraged in growth centers designated under chapter  
4 76A of this title.

5           (C) Public investments, including the construction or expansion of  
6 infrastructure, should reinforce the general character and planned growth  
7 patterns of the area.

8           (D) Development should be undertaken in accordance with smart  
9 growth principles as defined in subdivision 2791(13) of this title.

10          (2) To provide a strong and diverse economy that provides satisfying  
11 and rewarding job opportunities and that maintains high environmental  
12 standards, and to expand economic opportunities in areas with high  
13 unemployment or low per capita incomes.

14   \* \* \*

15          (4) To provide for safe, convenient, economic, and energy efficient  
16 transportation systems that respect the integrity of the natural environment,  
17 including public transit options and paths for pedestrians and bicyclers.

18          ~~(A)~~ Highways, air, rail, and other means of transportation should be  
19 mutually supportive, balanced, and integrated.

20          (5) To identify, protect, and preserve important natural and historic  
21 features of the Vermont landscape, including:

1 (A) significant natural and fragile areas;

2 (B) outstanding water resources, including lakes, rivers, aquifers,  
3 shorelands, and wetlands;

4 (C) significant scenic roads, waterways, and views;

5 (D) important historic structures, sites, or districts, archaeological  
6 sites, and archaeologically sensitive areas.

7 (6) To maintain and improve the quality of air, water, wildlife, and land  
8 resources.

9 (A) Vermont's air, water, wildlife, mineral, and land resources  
10 should be planned for use and development according to the principles set  
11 forth in 10 V.S.A. § 6086(a).

12 (B) Vermont's water quality should be maintained and improved  
13 according to the policies and actions developed in the basin plans established  
14 by the Secretary of Natural Resources under 10 V.S.A. § 1253.

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

17 (A) Vermont's greenhouse gas reduction goals under 10 V.S.A.  
18 § 578(a);

19 (B) Vermont's 25 by 25 goal for renewable energy under 10 V.S.A.  
20 § 580;

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

1 (D) State energy policy under 30 V.S.A. § 202a and the specific  
2 policies identified in the State energy plans adopted pursuant to 30 V.S.A.  
3 §§ 202 and 202b pertaining to the efficient use of energy and the siting and  
4 development of renewable energy resources; and

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

8 \* \* \*

9 (9) To encourage and strengthen agricultural and forest industries.

10 (A) Strategies to protect long-term viability of agricultural and forest  
11 lands should be encouraged and should include maintaining low overall  
12 density.

13 (B) The manufacture and marketing of value-added agricultural and  
14 forest products should be encouraged.

15 (C) The use of locally-grown food products should be encouraged.

16 (D) Sound forest and agricultural management practices should be  
17 encouraged.

18 (E) Public investment should be planned so as to minimize  
19 development pressure on agricultural and forest land.

20 \* \* \*

1 Sec. 3. 24 V.S.A. § 4345 is amended to read:

2 § 4345. OPTIONAL POWERS AND DUTIES OF REGIONAL PLANNING  
3 COMMISSIONS

4 **Any regional planning commission created under this chapter may:**

5 \* \* \*

6 **(6) Undertake studies and make recommendations on land**  
7 **development, urban renewal, transportation, economic, industrial,**  
8 **commercial, and social development, urban beautification and design**  
9 **improvements, historic and scenic preservation, ~~the conservation of~~**  
10 **~~energy and the development of renewable energy resources,~~ State capital**  
11 **investment plans, and wetland protection.**

12 \* \* \*

13 Sec. 4. 24 V.S.A. § 4345a is amended to read:

14 § 4345a. DUTIES OF REGIONAL PLANNING COMMISSIONS

15 A regional planning commission created under this chapter shall:

16 \* \* \*

17 (14) Appear before the Public Service Board to aid the Board in making  
18 determinations under 30 V.S.A. § 248 and shall have the right to appear and  
19 participate in proceedings under that statute.

20 \* \* \*

1           **(19) Undertake studies and make recommendations on the**  
2           **conservation of energy and the development of renewable energy**  
3           **resources.**

4           Sec. 5. CLARIFICATION OF EXISTING LAW

5           Sec. 4 of this act, amending 24 V.S.A. § 4345a(14) (**participation in**  
6           **Section 248 proceedings), clarifies existing law.**

7           Sec. 6. 24 V.S.A. § 4348a is amended to read:

8           § 4348a. ELEMENTS OF A REGIONAL PLAN

9           (a) A regional plan shall be consistent with the goals established in section  
10          4302 of this title and shall include the following:

11           (1) A statement of basic policies of the region to guide the future growth  
12          and development of land and of public services and facilities, and to protect the  
13          environment.

14           (2) A land use element, which shall consist of a map and statement of  
15          present and prospective land uses:

16           (A) indicating those areas proposed for forests, recreation, agriculture  
17          (using the agricultural lands identification process established in 6 V.S.A. § 8),  
18          residence, commerce, industry, public, and semi-public uses, open spaces, and  
19          areas identified by the State, regional planning commissions or municipalities,  
20          which require special consideration for aquifer protection, wetland protection,  
21          or for other conservation purposes;

1 (B) indicating those areas within the region that are likely candidates  
2 for designation under sections 2793 (downtown development districts), 2793a  
3 (village centers), 2793b (new town centers), and 2793c (growth centers) of this  
4 title;

5 (C) indicating locations proposed for developments with a potential  
6 for regional impact, as determined by the regional planning commission,  
7 including flood control projects, surface water supply projects, industrial parks,  
8 office parks, shopping centers and shopping malls, airports, tourist attractions,  
9 recreational facilities, private schools, public or private colleges, and  
10 residential developments or subdivisions;

11 (D) setting forth the present and prospective location, amount,  
12 intensity, and character of such land uses and the appropriate timing or  
13 sequence of land development activities in relation to the provision of  
14 necessary community facilities and services;

15 (E) indicating those areas that have the potential to sustain agriculture  
16 and recommendations for maintaining them which may include transfer of  
17 development rights, acquisition of development rights, or farmer assistance  
18 programs.

19 (3) An energy element, which may include ~~an~~ a comprehensive analysis  
20 of ~~energy~~ resources, needs, scarcities, costs, and problems within the region;  
21 across all energy sectors, including electric, thermal, and transportation; a

1 statement of policy on the conservation and efficient use of energy and the  
2 development and siting of distributed and utility-scale renewable energy  
3 resources, ~~and~~; a statement of policy on patterns and densities of land use **and**  
4 **control devices** likely to result in conservation of energy; and a statement of  
5 policy on and identification of potential areas for the development and siting  
6 of renewable energy resources and areas that are inappropriate for siting those  
7 resources or particular categories or sizes of those resources.

8 (4) A transportation element, which may consist of a statement of  
9 present and prospective transportation and circulation facilities, and a map  
10 showing existing and proposed highways, including limited access highways,  
11 and streets by type and character of improvement, and where pertinent,  
12 anticipated points of congestion, parking facilities, transit routes, terminals,  
13 bicycle paths and trails, scenic roads, airports, railroads and port facilities, and  
14 other similar facilities or uses, and recommendations to meet future needs for  
15 such facilities, with indications of priorities of need, costs, and method of  
16 financing.

17 \* \* \*



1 Sec. 7. 24 V.S.A. § 4352 is added to read:

2 § 4352. CERTIFICATION OF ENERGY COMPLIANCE; REGIONAL AND  
3 MUNICIPAL PLANS

4 (a) **Regional plan certification.** A regional planning commission may  
5 submit its adopted regional plan to the Commissioner of Public Service  
6 appointed under 30 V.S.A. § 1 for a certification of energy compliance. The  
7 Commissioner shall issue such a certification on finding that the regional plan  
8 is consistent with the statutes, goals, and policies listed in subdivision  
9 4302(c)(7) of this title.

10 (b) **Municipal plan certification.** If the Commissioner of Public Service  
11 has certified a regional plan that is in effect, a **municipal legislative body**  
12 within the region may submit its adopted municipal plan to the regional  
13 planning commission for a certification of energy compliance. Such a  
14 submission may be made separately from or at the same time as a request for  
15 review and approval of the municipal plan under section 4350 of this title. The  
16 regional planning commission shall issue such a certification on finding that  
17 the regional plan is consistent with the statutes, goals, and policies listed in  
18 subdivision 4302(c)(7) of this title and the portions of the regional plan that  
19 implement those statutes, goals, and policies.

20 (c) **Standards. In determining whether to issue a certification of**  
21 **energy compliance under this section, the Commissioner or regional**

1 **planning commission shall employ the standards for issuing such a**  
2 **certification developed pursuant to 30 V.S.A. §§ 202(b)(6) and 202b(a)(3).**

3 **(d) Process. Review of whether to issue a certification under this**  
4 **section shall include a public hearing noticed at least 15 days in advance**  
5 **by direct mail to the requesting regional planning commission or**  
6 **municipal legislative body, posting on the website of the entity from which**  
7 **the certification is requested, and publication in a newspaper of general**  
8 **publication in the region or municipality affected. The Commissioner or**  
9 **regional planning commission shall grant or deny certification within two**  
10 **months of the receipt of a request for certification. If certification is**  
11 **denied, the Commissioner or regional planning commission shall state the**  
12 **reasons for denial in writing and, if appropriate, suggest acceptable**  
13 **modifications. Submissions for certification that follow a denial shall**  
14 **receive a grant or denial of certification within 45 days.**

15 Sec. 8. 24 V.S.A. § 4382 is amended to read:

16 § 4382. THE PLAN FOR A MUNICIPALITY

17 (a) A plan for a municipality ~~may~~ **shall** be consistent with the goals  
18 established in section 4302 of this title and compatible with approved plans of  
19 other municipalities in the region and with the regional plan and shall include  
20 the following:

1           (1) A statement of objectives, policies, and programs of the municipality  
2 to guide the future growth and development of land, public services, and  
3 facilities, and to protect the environment.

4           (2) A land use plan:

5                 (A) consisting of a map and statement of present and prospective  
6 land uses, indicating those areas proposed for forests, recreation, agriculture  
7 (using the agricultural lands identification process established in 6 V.S.A. § 8),  
8 residence, commerce, industry, public, and semi-public uses and open spaces  
9 reserved for flood plain, wetland protection, or other conservation purposes;

10                (B) setting forth the present and prospective location, amount,  
11 intensity, and character of such land uses and the appropriate timing or  
12 sequence of land development activities in relation to the provision of  
13 necessary community facilities and service; and

14                (C) identifying those areas, if any, proposed for designation under  
15 chapter 76A of this title, together with, for each area proposed for designation,  
16 an explanation of how the designation would further the plan's goals and the  
17 goals of section 4302 of this title, and how the area meets the requirements for  
18 the type of designation to be sought.

19           (3) A transportation plan, consisting of a map and statement of present  
20 and prospective transportation and circulation facilities showing existing and  
21 proposed highways and streets by type and character of improvement, and

1 where pertinent, parking facilities, transit routes, terminals, bicycle paths and  
2 trails, scenic roads, airports, railroads, and port facilities, and other similar  
3 facilities or uses, with indications of priority of need.

4 (4) A utility and facility plan, consisting of a map and statement of  
5 present and prospective community facilities and public utilities showing  
6 existing and proposed educational, recreational and other public sites,  
7 buildings and facilities, including hospitals, libraries, power generating plants  
8 and transmission lines, water supply, sewage disposal, refuse disposal, storm  
9 drainage, and other similar facilities and activities, and recommendations to  
10 meet future needs for community facilities and services, with indications of  
11 priority of need, costs and method of financing.

12 (5) A statement of policies on the preservation of rare and irreplaceable  
13 natural areas; and scenic and historic features and resources.

14 \* \* \*

15 (9) An energy plan, including ~~an~~ a comprehensive analysis of energy  
16 resources, needs, scarcities, costs, and problems within the municipality; across  
17 all energy sectors, including electric, thermal, and transportation; a statement  
18 of policy on the conservation and efficient use of energy, including programs,  
19 such as thermal integrity standards for buildings, to implement that policy; a  
20 statement of policy on the development and siting of distributed and  
21 utility-scale renewable energy resources; a statement of policy on patterns and

1 densities of land use likely to result in conservation of energy and a **statement**  
2 **of policy on and identification of potential areas for the development and**  
3 siting of renewable energy resources and areas that are inappropriate for siting  
4 those resources or particular categories or sizes of those resources.

5 \* \* \*

6 Sec. 9. 30 V.S.A. § 202 is amended to read:

7 § 202. ELECTRICAL ENERGY PLANNING

8 (a) The Department of Public Service, through the Director for Regulated  
9 Utility Planning, shall constitute the responsible utility planning agency of the  
10 State for the purpose of obtaining for all consumers in the State proper utility  
11 service at minimum cost under efficient and economical management  
12 consistent with other public policy of the State. The Director shall be  
13 responsible for the provision of plans for meeting emerging trends related to  
14 electrical energy demand, supply, safety, and conservation.

15 (b) The Department, through the Director, shall prepare an electrical energy  
16 plan for the State. The Plan shall be for a 20-year period and shall serve as a  
17 basis for State electrical energy policy. The Electric Energy Plan shall be  
18 based on the principles of “least cost integrated planning” set out in and  
19 developed under section 218c of this title. The Plan shall include at a  
20 minimum:

1           (1) an overview, looking 20 years ahead, of statewide growth and  
2           development as they relate to future requirements for electrical energy,  
3           including patterns of urban expansion, statewide and service area economic  
4           growth, shifts in transportation modes, modifications in housing types, and  
5           design, conservation, and other trends and factors which, as determined by the  
6           Director, will significantly affect State electrical energy policy and programs;

7           (2) an assessment of all energy resources available to the State for  
8           electrical generation or to supply electrical power, including, among others,  
9           fossil fuels, nuclear, hydro-electric, biomass, wind, fuel cells, and solar energy  
10          and strategies for minimizing the economic and environmental costs of energy  
11          supply, including the production of pollutants, by means of efficiency and  
12          emission improvements, fuel shifting, and other appropriate means;

13          (3) estimates of the projected level of electrical energy demand;

14          (4) a detailed exposition, including capital requirements and the  
15          estimated cost to consumers, of how such demand shall be met based on the  
16          assumptions made in subdivision (1) of this subsection and the policies set out  
17          in subsection (c) of this section; ~~and~~

18          (5) specific strategies for reducing electric rates to the greatest extent  
19          possible in Vermont over the most immediate six-year period, for the next  
20          succeeding six-year period, and long-term sustainable strategies for achieving  
21          and maintaining the lowest possible electric rates over the full 20-year

1 planning horizon consistent with the goal of maintaining a financially stable  
2 electric utility industry in Vermont; and

3 **(6) the following for use as guidance to municipal and regional**  
4 **planning commissions in preparing municipal and regional plans under**  
5 **24 V.S.A. chapter 117 that are consistent with the statutes listed in**  
6 **24 V.S.A. § 4302(c)(7) and with the Plan and in obtaining a certification of**  
7 **energy compliance under that chapter:**

8 **(A) specific policies on the conservation and efficient use of**  
9 **electric energy and the development and siting of renewable electric**  
10 **generation, developed in accordance with 24 V.S.A. § 4302(c)(7); and**

11 **(B) based on 24 V.S.A. § 4302(c)(7) and the policies developed**  
12 **under subdivision (A) of this subdivision (6), a list of standards for use in**  
13 **determining whether municipal and regional plans should receive a**  
14 **certificate of energy compliance under 24 V.S.A. § 4352.**

15 (c) In developing the Plan, the Department shall take into account the  
16 protection of public health and safety; preservation of environmental quality;  
17 the goals of 24 V.S.A. § 4302; the potential for reduction of rates paid by all  
18 retail electricity customers; the potential for reduction of electrical demand  
19 through conservation, including alternative utility rate structures; use of load  
20 management technologies; efficiency of electrical usage; utilization of waste

1 heat from generation; and utility assistance to consumers in energy  
2 conservation.

3 (d) In establishing plans, the Director shall:

4 (1) Consult with:

5 (A) the public;

6 (B) Vermont municipal utilities and planning commissions;

7 (C) Vermont cooperative utilities;

8 (D) Vermont investor-owned utilities;

9 (E) Vermont electric transmission companies;

10 (F) environmental and residential consumer advocacy groups active  
11 in electricity issues;

12 (G) industrial customer representatives;

13 (H) commercial customer representatives;

14 (I) the Public Service Board;

15 (J) an entity designated to meet the public's need for energy  
16 efficiency services under subdivision 218c(a)(2) of this title;

17 (K) other interested State agencies; ~~and~~

18 (L) other energy providers; and

19 (M) the regional planning commissions.

20 \* \* \*



1 (h) The Plans adopted under this section shall become the electrical energy  
2 portion of the State Energy Plan.

3 \* \* \*

4 Sec. 10. 30 V.S.A. § 202b is amended to read:

5 § 202b. STATE COMPREHENSIVE ENERGY PLAN

6 (a) The Department of Public Service, in conjunction with other State  
7 agencies designated by the Governor, shall prepare a State Comprehensive  
8 Energy Plan covering at least a 20-year period. The Plan shall seek to  
9 implement the State energy policy set forth in section 202a of this title and  
10 shall be consistent with the goals of 24 V.S.A. § 4302. The Plan shall include:

11 (1) a comprehensive analysis and projections regarding the use, cost,  
12 supply, and environmental effects of all forms of energy resources used within  
13 Vermont; ~~and~~

14 (2) recommendations for State implementation actions, regulation,  
15 legislation, and other public and private action to carry out the comprehensive  
16 energy plan; and

17 **(3) the following for use as guidance to municipal and regional**  
18 **planning commissions in preparing municipal and regional plans under**  
19 **24 V.S.A. chapter 117 that are consistent with the statutes listed in**  
20 **24 V.S.A. § 4302(c)(7) and with the Plan and in obtaining a certification of**  
21 **energy compliance under that chapter:**

1                   **(A) specific policies on the conservation and efficient use of**  
2                   **energy and the development and siting of energy facilities, developed in**  
3                   **accordance with 24 V.S.A. § 4302(c)(7); and**

4                   **(B) based on 24 V.S.A. § 4302(c)(7) and the policies developed**  
5                   **under subdivision (A) of this subdivision (3), a list of standards for use in**  
6                   **determining whether municipal and regional plans should receive a**  
7                   **certificate of energy compliance under 24 V.S.A. § 4352.**

8           (b) In developing or updating the Plan’s recommendations, the Department  
9           of Public Service shall seek public comment by holding public hearings in at  
10           least five different geographic regions of the State on at least three different  
11           dates, and by providing notice through publication once a week and at least  
12           seven days apart for two or more successive weeks in a newspaper or  
13           newspapers of general circulation in the regions where the hearings will be  
14           held, and by delivering notices to all licensed commercial radio and television  
15           stations with transmitting facilities within the State, plus Vermont Public  
16           Radio and Vermont Educational Television.

17           (c) The Department shall adopt a State Energy Plan on or before January 1,  
18           2016 and shall readopt the Plan by every sixth January 1 thereafter. On  
19           adoption or readoption, the Plan shall be submitted to the General Assembly.  
20           The provisions of 2 V.S.A. § 20(d)(expiration of required reports) shall not  
21           apply to such submission.

1           (1) Upon adoption of the Plan, analytical portions of the Plan may be  
2 updated and published biennially.

3           (2) Every fourth year after the adoption or re adoption of a Plan under  
4 this section, the Department shall publish the manner in which the Department  
5 will engage the public in the process of re adopting the Plan under this section.

6           (3) The publication requirements of subdivisions (1) and (2) of this  
7 subsection may be met by inclusion of the subject matter in the Department's  
8 biennial report.

9           (4) The Plan's implementation recommendations shall be updated by the  
10 Department no less frequently than every six years. These recommendations  
11 shall be updated prior to the expiration of six years if the General Assembly  
12 passes a joint resolution making a request to that effect. If the Department  
13 proposes or the General Assembly requests the revision of implementation  
14 recommendations, the Department shall hold public hearings on the proposed  
15 revisions.

16           (d) Distribution of the Plan to members of the General Assembly shall be  
17 in accordance with the provisions of 2 V.S.A. § 20(a)-(c).

18       **Sec. 10a. INITIAL IMPLEMENTATION; CERTIFICATION**

19                       **STANDARDS**

20           **(a) On or before October 1, 2016, the Department of Public Service**  
21 **shall publish specific policies and standards in accordance with 30 V.S.A.**

1 **§§ 202(b)(6) and 202b(a)(3) as enacted by Secs. 8 and 10 of this act. Prior**  
2 **to issuing these policies and standards, the Department shall post on its**  
3 **website a draft set of initial policies and standards and provide notice and**  
4 **an opportunity to comment and request a public hearing to all persons**  
5 **listed in 30 V.S.A. § 202(d)(1). The Commissioner may elect to hold one or**  
6 **more public hearings on the Commissioner’s own initiative.**

7 **(b) On publication under subsection (a) of this section, the specific**  
8 **policies and standards shall be considered an appendix to the currently**  
9 **adopted plans under 30 V.S.A. §§ 202 and 202b. After this publication,**  
10 **the Department may revise these policies and procedures in accordance**  
11 **with the procedures for adopting and revising plans under those statutes.**

12 Sec. 11. 30 V.S.A. § 248(b) is amended to read:

13 (b) Before the Public Service Board issues a certificate of public good as  
14 required under subsection (a) of this section, it shall find that the purchase,  
15 investment, or construction:

16 (1) With respect to an in-state facility, will not unduly interfere with the  
17 orderly development of the region with due consideration having been given to  
18 the recommendations of the municipal and regional planning commissions, the  
19 recommendations of the municipal legislative bodies, and the land  
20 conservation measures contained in the plan of any affected municipality.

21 However:

1           (A) ~~with~~ With respect to a natural gas transmission line subject to  
2 Board review, the line shall be in conformance with any applicable provisions  
3 concerning such lines contained in the duly adopted regional plan; and, in  
4 addition, upon application of any party, the Board shall condition any  
5 certificate of public good for a natural gas transmission line issued under this  
6 section so as to prohibit service connections that would not be in conformance  
7 with the adopted municipal plan in any municipality in which the line is  
8 located; ~~and~~.

9           (B) ~~with~~ With respect to a ground-mounted solar electric generation  
10 facility, the facility shall comply with the screening requirements of a  
11 municipal bylaw adopted under 24 V.S.A. § 4414(15) or a municipal ordinance  
12 adopted under 24 V.S.A. § 2291(28), and the recommendation of a  
13 municipality applying such a bylaw or ordinance, unless the Board finds that  
14 requiring such compliance would prohibit or have the effect of prohibiting the  
15 installation of such a facility or have the effect of interfering with the facility's  
16 intended functional use.

17           (C) The Board shall give shall substantial deference to the land  
18 conservation measures and specific policies contained in a duly adopted  
19 regional and municipal plan that has received a certificate of energy  
20 compliance under 24 V.S.A. § 4352.

1            (i) In this subdivision (C), “substantial deference” means that a  
2 land conservation measure or specific policy shall be applied in accordance  
3 with its terms unless there is a clear and convincing demonstration that other  
4 factors affecting the general good of the State outweigh the application of the  
5 measure or policy.

6            (ii) This subdivision (C) does not supersede the requirement,  
7 under subdivision (1)(A) of this subsection, respecting conformance of a  
8 natural gas transmission line with a regional plan.

9            \* \* \*

10          (12) With respect to an in-state facility exceeding 150 kilowatts that  
11 generates electricity from renewable energy, will be sited at a preferred  
12 location as defined in section 8002 of this title or the applicant demonstrates  
13 that the facility’s other benefits to the State and its residents outweigh the  
14 adverse impacts of the facility, if any, under the other criteria of this  
15 subsection (b).

16          \* \* \* Regulatory and Financial Incentives; Preferred Locations \* \* \*

17          Sec. 12. 30 V.S.A. § 8002(30) is added to read:

18          (30) “Preferred location” means a site within the State on which a  
19 renewable energy plant will be located that is one of the following:

20            (A) A new or existing structure, including a commercial or  
21 residential building, a parking lot, or parking lot canopy, whose primary use is

1 not the generation of electricity or providing support for the placement of  
2 equipment that generates electricity.

3 (B) A tract previously developed for a use other than siting a plant on  
4 which a structure or impervious surface was lawfully in existence and use prior  
5 to January 1 of the year in which an application for a certificate of public good  
6 under section 248 of this title for the plant is filed or in which the plant seeks  
7 an award of a contract under the standard offer program under section 8005a of  
8 this title, whichever is earlier. To qualify under this subdivision (B), the limits  
9 of disturbance of a proposed renewable energy plant must include either the  
10 existing structure or impervious surface and shall not include any headwaters,  
11 streams, shorelines, floodways, rare and irreplaceable natural areas, necessary  
12 wildlife habitat, wetlands, endangered species, productive forestlands, and  
13 primary agricultural soils, all of which are as defined in 10 V.S.A. chapter 151.

14 (C) Land certified by the Secretary of Natural Resources to be a  
15 brownfield site as defined under 10 V.S.A. § 6642.

16 (D) A sanitary landfill as defined in 10 V.S.A. § 6602, provided that  
17 the Secretary of Natural Resources certifies that the land constitutes such a  
18 landfill and is suitable for the development of the plant.

19 (E) The disturbed portion of a gravel pit, quarry, or similar site for  
20 the extraction of a mineral resource, **provided that all activities pertaining to**

1 **site reclamation required by applicable law or permit condition are**  
2 **satisfied prior to the installation of the plant.**

3 (F) A specific location designated in a duly adopted municipal plan  
4 under 24 V.S.A. chapter 117 for the siting of a renewable energy plant or  
5 specific type or size of renewable energy plant, provided that the plant meets  
6 any siting criteria recommended in the plan for the location. On or after  
7 January 1, 2019, to qualify under this subdivision (F), the plan must be  
8 certified under 24 V.S.A. § 4352.

9 (G) If the plant constitutes a net metering system, then in addition to  
10 subdivisions (A) through (F) of this subdivision (30), a site designated by  
11 Board rule as a preferred location.

12 Sec. 13. 30 V.S.A. § 8004(g) is added to read:

13 (g) Preferred locations. With respect to a renewable energy plant to be  
14 located in the State whose energy or environmental attributes may be used to  
15 satisfy the requirements of the RES, the Board shall exercise its authority  
16 under this section and sections 8005 and 8006 of this title to promote siting  
17 such a plant in a preferred location.

18 Sec. 14. 30 V.S.A. § 8005a is amended to read:

19 § 8005a. STANDARD OFFER PROGRAM

20 (a) Establishment. A standard offer program is established. To achieve the  
21 goals of section 8001 of this title, the Board shall issue standard offers for



1 renewable energy plants that meet the eligibility requirements of this section.  
2 The Board shall implement these standard offers by rule, order, or contract and  
3 shall appoint a Standard Offer Facilitator to assist in this implementation. For  
4 the purpose of this section, the Board and the Standard Offer Facilitator  
5 constitute instrumentalities of the State.

6 (b) Eligibility. To be eligible for a standard offer under this section, a plant  
7 must constitute a qualifying small power production facility under 16 U.S.C.  
8 § 796(17)(C) and 18 C.F.R. part 292, must not be a net metering system under  
9 section 219a of this title, and must be a new standard offer plant. In this  
10 section, “new standard offer plant” means a renewable energy plant that is  
11 located in Vermont, that has a plant capacity of 2.2 MW or less, and that is  
12 commissioned on or after September 30, 2009.

13 (c) Cumulative capacity. In accordance with this subsection, the Board  
14 shall issue standard offers to new standard offer plants until a cumulative plant  
15 capacity amount of 127.5 MW is reached.

16 (1) Pace. Annually commencing April 1, 2013, the Board shall increase  
17 the cumulative plant capacity of the standard offer program (the annual  
18 increase) until the 127.5-MW cumulative plant capacity of this subsection is  
19 reached.

1           (A) Annual amounts. The amount of the annual increase shall be five  
2           MW for the three years commencing April 1, 2013, 7.5 MW for the three years  
3           commencing April 1, 2016, and 10 MW commencing April 1, 2019.

4           (B) Blocks. Each year, a portion of the annual increase shall be  
5           reserved for new standard offer plants proposed by Vermont retail electricity  
6           providers (the provider block), and the remainder shall be reserved for new  
7           standard offer plants proposed by persons who are not providers (the  
8           independent developer block).

9           (i) The portion of the annual increase reserved for the provider  
10          block shall be 10 percent for the three years commencing April 1, 2013,  
11          15 percent for the three years commencing April 1, 2016, and 20 percent  
12          commencing April 1, 2019.

13          (ii) If the provider block for a given year is not fully subscribed,  
14          any unsubscribed capacity within that block shall be added to the annual  
15          increase for each following year until that capacity is subscribed and shall be  
16          made available to new standard offer plants proposed by persons who are not  
17          providers.

18          (iii) If the independent developer block for a given year is not  
19          fully subscribed, any unsubscribed capacity within that block shall be added  
20          to the annual increase for each following year until that capacity is  
21          subscribed and:

1 (I) shall be made available to new standard offer plants  
2 proposed by persons who are not providers; and

3 (II) may be made available to a provider following a written  
4 request and specific proposal submitted to and approved by the Board.

5 (C) Adjustment; greenhouse gas reduction credits. The Board shall  
6 adjust the annual increase to account for greenhouse gas reduction credits by  
7 multiplying the annual increase by one minus the ratio of the prior year's  
8 greenhouse gas reduction credits to that year's statewide retail electric sales.

9 (i) The amount of the prior year's greenhouse gas reduction  
10 credits shall be determined in accordance with subdivision 8006a(a) of this  
11 title.

12 (ii) The adjustment in the annual increase shall be applied  
13 proportionally to the independent developer block and the provider block.

14 (iii) Greenhouse gas reduction credits used to diminish a  
15 provider's obligation under section 8004 of this title may be used to adjust the  
16 annual increase under this subsection (c).

17 (D) Pilot project; preferred locations. For a period of three years  
18 commencing on January 1, 2017, the Board shall allocate one-third of the  
19 annual increase to new standard offer plants that will be wholly located in one  
20 or more preferred locations, provided that using the location does not require  
21 the construction of a new substation by the interconnecting retail electricity

1 provider or increasing the capacity of one or more of the provider’s existing  
2 facilities. This allocation shall apply proportionally to the independent  
3 developer block and provider block.

4 (2) Technology allocations. The Board shall allocate the 127.5-MW  
5 cumulative plant capacity of this subsection among different categories of  
6 renewable energy technologies. These categories shall include at least each of  
7 the following: methane derived from a landfill; solar power; wind power with a  
8 plant capacity of 100 kW or less; wind power with a plant capacity greater than  
9 100 kW; hydroelectric power; and biomass power using a fuel other than  
10 methane derived from an agricultural operation or landfill.

11 \* \* \*

12 (f) Price. The categories of renewable energy for which the Board shall set  
13 standard offer prices shall include at least each of the categories established  
14 pursuant to subdivision (c)(2) of this section. The Board by order shall  
15 determine and set the price paid to a plant owner for each kWh generated  
16 under a standard offer required by this section, with a goal of ensuring timely  
17 development at the lowest feasible cost. The Board shall not be required to  
18 make this determination as a contested case under 3 V.S.A. chapter 25.

19 (1) Market-based mechanisms. For new standard offer projects, the  
20 Board shall use a market-based mechanism, such as a reverse auction or other

1 procurement tool, to obtain up to the authorized amount of a category of  
2 renewable energy, if it first finds that use of the mechanism is consistent with:

3 (A) applicable federal law; and

4 (B) the goal of timely development at the lowest feasible cost.

5 (2) Avoided cost.

6 (A) The price paid for each category of renewable energy shall be the  
7 avoided cost of the Vermont composite electric utility system if the Board  
8 finds either of the following:

9 (i) Use of the pricing mechanism described in subdivision  
10 (1)(market-based mechanisms) of this subsection (f) is inconsistent with  
11 applicable federal law.

12 (ii) Use of the pricing mechanism described in subdivision  
13 (1)(market-based mechanisms) of this subsection (f) is reasonably likely to  
14 result in prices higher than the prices that would apply under this  
15 subdivision (2).

16 (B) ~~For the purpose of~~ As used in this subsection (f), the term  
17 “avoided cost” means the incremental cost to retail electricity providers of  
18 electric energy or capacity or both, which, but for the purchase through the  
19 standard offer, such providers would obtain from distributed renewable  
20 generation that uses the same generation technology as the category of  
21 renewable energy for which the Board is setting the price. ~~For the purpose of~~

1 As used in this subsection (f), the term “avoided cost” also includes the  
2 Board’s consideration of each of the following:

3 (i) The relevant cost data of the Vermont composite electric utility  
4 system.

5 (ii) The terms of the contract, including the duration of the  
6 obligation.

7 (iii) The availability, during the system’s daily and seasonal peak  
8 periods, of capacity or energy purchased through the standard offer, and the  
9 estimated savings from mitigating peak load.

10 (iv) The relationship of the availability of energy or capacity  
11 purchased through the standard offer to the ability of the Vermont composite  
12 electric utility system or a portion thereof to avoid costs.

13 (v) The costs or savings resulting from variations in line losses  
14 and other impacts to the transmission or distribution system from those that  
15 would have existed in the absence of purchases through the standard offer.

16 (vi) The supply and cost characteristics of plants eligible to  
17 receive the standard offer.

18 \* \* \*

19 (5) Price; preferred location pilot. For the period during which the  
20 Board allocates capacity to new standard offer plants that will be wholly

1 located in one or more preferred locations, the following shall apply to the  
2 price paid to such a plant:

3 (A) In using a market-based mechanism such as a reverse auction to  
4 determine this price, the Board shall compare only the proposals of plants that  
5 qualify for this allocation of capacity.

6 (B) In using avoided costs to determine this price, the Board shall  
7 derive the incremental cost from distributed renewable generation that is sited  
8 on a preferred location and uses the same generation technology as the  
9 category of renewable energy for which the Board is setting the price.

10 Sec. 15. 30 V.S.A. § 8010 is amended to read:

11 § 8010. SELF-GENERATION AND NET METERING

12 \* \* \*

13 (c) In accordance with this section, the Board shall adopt and implement  
14 rules that govern the installation and operation of net metering systems.

15 (1) The rules shall establish and maintain a net metering program that:

16 \* \* \*

17 (G) accounts for changes over time in the cost of technology; ~~and~~

18 (H) allows a customer to retain ownership of the environmental  
19 attributes of energy generated by the customer's net metering system and of  
20 any associated tradeable renewable energy credits or to transfer those attributes  
21 and credits to the interconnecting retail provider, and:

1 (i) if the customer retains the attributes, reduces the value of the  
2 credit provided under this section for electricity generated by the customer's  
3 net metering system by an appropriate amount; and

4 (ii) if the customer transfers the attributes to the interconnecting  
5 provider, requires the provider to retain them for application toward  
6 compliance with sections 8004 and 8005 of this title; and

7 (I) promotes the siting of new metering systems in preferred  
8 locations.

9 \* \* \*

10 (3) The rules shall establish standards and procedures governing  
11 application for and issuance or revocation of a certificate of public good for net  
12 metering systems under the provisions of section 248 of this title. In  
13 establishing these standards and procedures, ~~the rules:~~

14 (A) The rules may waive the requirements of section 248 of this title  
15 that are not applicable to net metering systems, including criteria that are  
16 generally applicable to public service companies as defined in this title; and

17 (B) The rules may modify notice and hearing requirements of this  
18 title as the Board considers appropriate; and

19 (C) The rules shall seek to simplify the application and review  
20 process as appropriate; ~~and~~.



1           (D) ~~with~~ With respect to net metering systems that exceed 150 kW in  
2 plant capacity, shall apply the so-called “Quechee” test for aesthetic impact as  
3 described by the Vermont Supreme Court in the case of *In re Halnon*, 174 Vt.  
4 515 (2002) (mem.). The rules and application form shall state the components  
5 of this test.

6           (E) With respect to a net metering system exceeding 15 kW in plant  
7 capacity, the rules shall not waive or include provisions that are less stringent  
8 than the following, notwithstanding any contrary provision of law:

9                   (i) the requirement of subdivision 248(a)(4)(C) of this title to  
10 provide a copy of the application to the Agencies of Agriculture, Food and  
11 Markets and of Natural Resources; the Department of Public Service; the  
12 Division for Historic Preservation; the municipal legislative body; and the  
13 municipality and regional planning commissions; and

14                   (ii) the requirements of subdivision 248(a)(4)(J) (required  
15 information) and subsections 248(f) (preapplication submittal), (t) (aesthetic  
16 mitigation), and (u) (decommissioning) of this title.

17                                   \* \* \*

18           (e) In accordance with this subsection, the Board may allow the colocation  
19 on the same tract of two or more plants under separate ownership that would  
20 qualify as net metering systems but for the fact of colocation on that parcel and  
21 use of common equipment and infrastructure. In this subsection, “separate

1 ownership” means that each net metering system is owned and controlled by a  
2 different person as defined under 10 V.S.A. § 6001.

3 (1) The Board may allow colocation under this subsection only if each  
4 of the following applies:

5 (A) The municipality’s duly adopted plan under 24 V.S.A. chapter  
6 117 designates a tract of land of not less than 20 acres for the colocation of net  
7 metering systems.

8 (B) Each net metering system will be located on this tract.

9 (C) Each net metering system to be located on the tract is approved  
10 by the municipality’s legislative body prior to approval by the Board.

11 (2) In a municipality that has designated a tract for colocation of net  
12 metering systems pursuant to this subsection, the Board shall reduce, by three  
13 cents per kWh, the amount of the bill credit that would otherwise apply to each  
14 net metering system that is greater than 15 kW in plant capacity and is to be  
15 located outside the designated tract.

16 (f) The Board may allow the net metering of a portion of a renewable  
17 energy plant whose plant capacity exceeds 500 kW if each of the following  
18 applies:

19 (1) The plant meets the definition of net metering system under section  
20 8002 of this title but for its plant capacity.

1           (2) The plant has obtained the consent of the interconnecting retail  
2 electricity provider.

3           (3) The amount of plant capacity to be net metered does not exceed  
4 500 kW.

5           (4) With respect to the amount of the plant capacity to be net metered:

6                 (A) The plant will allocate the bill credits to the host municipality or  
7 to customers within a five-mile radius of the facility, or both.

8                 (B) The plant will transfer the associated environmental attributes  
9 and tradeable renewable energy credits to the interconnecting provider, which  
10 shall retire them and apply them toward compliance with the RES.

11                         \* \* \* Regulatory Process; Public Assistance Officer \* \* \*

12           Sec. 16. 30 V.S.A. § 3 is amended to read:

13           § 3. PUBLIC SERVICE BOARD

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

17                                 \* \* \*

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

20           (h) The Board shall employ a Public Assistance Officer (PAO) in  
21 accordance with this subsection.

1           (1) The PAO shall provide guidance to and answer questions from  
2 parties and members of the public on all matters under this title concerning the  
3 siting and construction of facilities in the State that generate or transmit  
4 electricity, constitute a meteorological station as defined in section 246 of this  
5 title, or constitute a natural gas facility as defined in subdivision 248(a)(3) of  
6 this title. As used in this section:

7                   (A) “Contested case” has the same meaning as in 3 V.S.A. § 801.

8                   (B) “Matter” means any proceeding before or by the Board, including  
9 an application for a certificate of public good, a petition for condemnation,  
10 rulemaking, and the issuance of guidance or procedures.

11           (2) Guidance and information to be provided by the PAO shall include  
12 the following:

13                   (A) An explanation of the proceeding, including its purpose; its type,  
14 such as rulemaking or contested case; and the restrictions or lack of restrictions  
15 applicable to the type of proceeding, such as whether ex parte communications  
16 are prohibited.

17                   (B) Answers to procedural questions and direction to the statutes and  
18 rules applicable to the proceeding.

19                   (C) How to participate in the proceeding including, if necessary for  
20 participation, how to file to a motion to intervene and how to submit prefiled  
21 testimony. The Board shall create forms and templates for motions to

1 intervene, prefiled testimony, and other types of documents commonly filed  
2 with the Board, which the PAO shall provide to a person on request. The  
3 Board shall post these forms and templates on the Board’s website.

4 (D) The responsibilities of intervenors and other parties.

5 (E) The status of the proceeding. Examples of a proceeding’s status  
6 include: a petition has been filed; the proceeding awaits scheduling a  
7 prehearing conference or hearing; parties are conducting discovery or  
8 submitting prefiled testimony; hearings are concluded and parties are preparing  
9 briefs; and the proceeding is under submission to the Board and awaits a  
10 decision. For each proceeding in which the next action constitutes the issuance  
11 of an order, decision, or proposal for decision by the Board or a hearing  
12 officer, the Chair or assigned hearing officer shall provide the PAO with an  
13 expected date of issuance and the PAO shall provide this expected date to  
14 requesting parties or members of the public.

15 (3) For each proceeding within the scope of subdivision (1) of this  
16 subsection, the Board shall post, on its website, electronic copies of all filings  
17 and submissions to the Board and all orders of the Board.

18 (4) The Board shall adopt rules or procedures to ensure that the  
19 communications of the PAO with the Board’s members and other employees  
20 concerning contested cases do not contravene the requirements of the  
21 Administrative Procedure Act applicable to such cases.

1           (5) The PAO shall have a duty to provide requesting parties and  
2           members of the public with information that is accurate to the best of the  
3           PAO’s ability. The Board and its other employees shall have a duty to transmit  
4           accurate information to the PAO. However, the Board and any assigned  
5           hearing officer shall not be bound by statements of the PAO.

6           (6) The PAO shall not be an advocate for any person and shall not have  
7           a duty to assist a person in the actual formation of the person’s position or  
8           arguments before the Board or the actions necessary to advance the person’s  
9           position or arguments such as the actual preparation of motions, memoranda,  
10          or prefiled testimony.

11          (7) The Board may assign secondary duties to the PAO that do not  
12          conflict with the PAO’s execution of his or her duties under this subsection.

13          Sec. 17. POSITION; APPROPRIATION

14          The following classified position is created in the Public Service Board—  
15          one permanent, full-time Public Assistance Officer for the purpose of Sec. 2 of  
16          this act. There is appropriated to the Public Service Board for fiscal year 2017  
17          from the special fund described in 30 V.S.A. § 22 the amount of \$100,000.00  
18          for the purpose of this position.

19          Sec. 18. 30 V.S.A. § 248(a)(4) is amended to read:

20                 (4)(A) With respect to a facility located in the State, the Public Service  
21          Board shall hold a nontechnical public hearing on each petition for such

1 finding and certificate in at least one county in which any portion of the  
2 construction of the facility is proposed to be located.

3 (B) The Public Service Board shall hold technical hearings at  
4 locations which it selects.

5 (C) At the time of filing its application with the Board, copies shall  
6 be given by the petitioner to the Attorney General and the Department of  
7 Public Service, and, with respect to facilities within the State, the Department  
8 of Health, Agency of Natural Resources, Historic Preservation Division,  
9 Agency of Transportation, Agency of Agriculture, Food and Markets, and to  
10 the chair or director of the municipal and regional planning commissions and  
11 the municipal legislative body for each town and city in which the proposed  
12 facility will be located.

13 (D) Notice of the public hearing shall be published and maintained  
14 on the Board's website for at least 12 days before the day appointed for the  
15 hearing. Notice of the public hearing shall be published once in a newspaper  
16 of general circulation in the county or counties in which the proposed facility  
17 will be located, and the notice shall include an Internet address where more  
18 information regarding the proposed facility may be viewed.

19 (E) The Agency of Natural Resources shall appear as a party in any  
20 proceedings held under this subsection, shall provide evidence and  
21 recommendations concerning any findings to be made under subdivision (b)(5)

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

3 (F) The Agency of Agriculture, Food and Markets shall have the  
4 right to appear as a party in any proceedings held under this subsection.

5 (G) The regional planning commission for the region in which the  
6 facility is located shall have the right to appear as a party in any proceedings  
7 held under this subsection. The regional planning commission of an adjacent  
8 region shall have the same right if the facility is located within 500 feet of the  
9 boundary of that planning commission.

10 (H) The legislative body and the planning commission for the  
11 municipality in which a facility is located shall have the right to appear as a  
12 party in any proceedings held under this subsection. The legislative body and  
13 planning commission of an adjacent municipality shall have the same right if  
14 the facility is located within 500 feet of the boundary of that adjacent  
15 municipality.

16 (I) When a person has the right to appear and participate in a  
17 proceeding before the Board under this chapter, the person may activate this  
18 right by filing a letter with the Board stating that the person appears through  
19 the person's duly authorized representative, signed by that representative.

20 (J) With respect to an application for an electric generation facility  
21 with a capacity that is greater than 15 kilowatts:



1           (i) In addition to any other information required by the Board, the  
2 application shall include information that delineates:

3                   (I) the full limits of physical disturbance due to the construction  
4 and operation of the facility and related infrastructure, including areas  
5 disturbed due to the creation or modification of access roads and utility lines  
6 and the clearing or management of vegetation;

7                   (II) the presence and total acreage of primary agricultural soils  
8 as defined in 10 V.S.A. § 6001 on each tract to be physically disturbed in  
9 connection with the construction and operation of the facility and the amount  
10 of those soils to be disturbed;

11                   (III) all visible infrastructure associated with the facility; and

12                   (IV) all impacts of the facility’s construction and operation  
13 under subdivision (b)(5) of this section, including impacts due to the creation  
14 or modification of access roads and utility lines and the clearing or  
15 management of vegetation.

16           (ii) When all parties to an application for an electric generation  
17 facility under this section are known but before any technical hearings are held,  
18 the Board shall determine whether the proceeding is appropriate for mediation  
19 and, if this determination is affirmative, shall direct the parties to engage in  
20 mediation. The parties shall jointly choose and shall share the costs of the  
21 mediator.

1 Sec. 19. 30 V.S.A. § 248(f) is amended to read:

2 (f) However, plans for the construction of such a facility within the State  
3 must be submitted by the petitioner to the municipal and regional planning  
4 commissions no less than 45 days prior to application for a certificate of public  
5 good under this section, unless the municipal and regional planning  
6 commissions shall waive such requirement.

7 (1) Such municipal or regional planning commission may hold a public  
8 hearing on the proposed plans. Such commissions shall make  
9 recommendations, if any, to the Public Service Board and to the petitioner at  
10 least seven days prior to filing of the petition with the Public Service Board.

11 (2) The petitioner’s application shall respond to each comment made at  
12 the public hearing or received by the petitioner with respect to the submittal  
13 made under this subsection.

14 \* \* \* CPG Conditions: Aesthetics Mitigation and Decommissioning \* \* \*

15 Sec. 20. 30 V.S.A. § 248(t) and (u) are added to read:

16 (t) A certificate under this section for an in-state facility shall require the  
17 following with respect to all measures to be undertaken to mitigate the impacts  
18 of the facility on aesthetics and scenic beauty:

19 (1) The certificate holder shall obtain a certification from a qualified  
20 expert, chosen by the Board, that all required mitigation measures have been  
21 undertaken and all required plantings have been installed.

1           (2) The certificate holder shall have site control over all vegetation used  
2           to demonstrate that the facility will not have an undue adverse effect on  
3           aesthetics and all locations on which mitigation plantings are to be installed.

4           (3) For three years after installation of all required plantings, the  
5           certificate holder annually shall submit documentation by a qualified expert,  
6           chosen by the Board, that the plantings have been maintained in accordance  
7           with the approved plans.

8           (4) The certificate holder shall have an ongoing duty to maintain the  
9           plantings in accordance with the approved plans and replace dead or diseased  
10          plantings as soon as seasonably possible.

11          (u) A certificate under this section for an in-state electric generation facility  
12          with a capacity that is greater than 15 kilowatts shall require the  
13          decommissioning or dismantling of the facility and ancillary improvements at  
14          the end of the facility's useful life and the posting of a bond or other security  
15          acceptable to the Board that is sufficient to finance the decommissioning or  
16          dismantling activities in full.

1                   **\* \* \* Renewable Energy Credits; Transparency \* \* \***

2       **Sec. 21. 30 V.S.A. § 8006 is amended to read:**

3       **§ 8006. TRADEABLE CREDITS; ENVIRONMENTAL ATTRIBUTES;**  
4                   **RECOGNITION, MONITORING, AND DISCLOSURE**

5           **(a) The Board shall establish or adopt a system of tradeable renewable**  
6       **energy credits for renewable resources that may be earned by electric**  
7       **generation qualifying for the RES. The system shall recognize tradeable**  
8       **renewable energy credits monitored and traded on the New England**  
9       **Generation Information System (GIS); shall provide a process for the**  
10       **recognition, approval, and monitoring of environmental attributes**  
11       **attached to renewable energy that are eligible to satisfy the requirements**  
12       **of sections 8004 and 8005 of this title but are not monitored and traded on**  
13       **the GIS; and shall otherwise be consistent with regional practices.**

14           **(b) The Board shall ensure that the system established under**  
15       **subsection (a) of this section is accessible to the public and that a member**  
16       **of the public may access the system through the Internet and, without**  
17       **difficulty, determine the identity of the current owner of each tradeable**  
18       **renewable energy credit generated by each renewable energy plant located**  
19       **in the State of Vermont; each date, if any, on which such a credit was**  
20       **transferred from one person to another; and, for each such transfer, the**  
21       **identity of the transferor and the transferee.**

1           **(c)** The Board shall ensure that all electricity provider and  
2           **provider-affiliate disclosures and representations made with regard to a**  
3           **provider’s portfolio are accurate and reasonably supported by objective**  
4           **data. Further, the Board shall ensure that providers disclose the types of**  
5           **generation used and shall clearly distinguish between energy or tradeable**  
6           **energy credits provided from renewable and nonrenewable energy sources**  
7           **and existing and new renewable energy.**

8                   **\*\*\* Fees; Agency of Agriculture, Food and Markets \*\*\***

9           **Sec. 22. 30 V.S.A. § 248c is added to read:**

10           **§ 248c. FEES; AGENCY OF AGRICULTURE, FOOD AND MARKETS;**

11                   **PARTICIPATION IN ENERGY SITING PROCEEDINGS**

12           **(a) Establishment. This section establishes fees for the purpose of**  
13           **supporting the role of the Agency of Agriculture, Food and Markets (the**  
14           **Agency) in reviewing applications for in-state facilities under section 248**  
15           **of this title. These fees are in addition to the fees under section 248b of**  
16           **this title.**

17           **(b) Payment. The applicant shall pay the fee into the State Treasury at**  
18           **the time the application for a certificate of public good under section 248**  
19           **of this title is filed with the Public Service Board in an amount determined**  
20           **in accordance with this section. The fee shall be credited to a special fund**  
21           **that shall be established and managed pursuant to 32 V.S.A. chapter 7,**

1 **subchapter 5, and which shall be available to the Agency to offset the cost**  
2 **of participation in proceedings under section 248 of this title.**

3 **(c) Application. The fee established under this section shall apply only**  
4 **if any generation equipment, utility lines, roads, or other improvements**  
5 **associated with an in-state facility seeking a certificate of public good**  
6 **under section 248 of this title will be located on a tract of land that**  
7 **contains primary agricultural soils as defined in 10 V.S.A. § 6001.**

8 **(c) Amount. The fee shall be 10 percent of the amount calculated in**  
9 **accordance with subsection 248b(d) of this title.**

10 \* \* \* Effective Dates \* \* \*

11 Sec. 23. EFFECTIVE DATES

12 This act shall take effect on July 1, 2016, except that:

13 **(1) This section and Sec. 10a (initial implementation; certification**  
14 **standards) shall take effect on passage. The following in Secs. 1, 8, and 10**  
15 **shall apply on passage to the activities of the Department of Public Service**  
16 **under Sec. 10a: 24 V.S.A. § 4302(c) and 30 V.S.A. §§ 202(b)(6) and**  
17 **202b(a)(3).**

18 **(2) Sec. 15 (net metering systems) shall take effect on January 2, 2017,**  
19 **and shall amend 30 V.S.A. § 8010 as amended by 2015 Acts and Resolves**  
20 **No. 56, Sec. 12.**

21

1 (Committee vote: \_\_\_\_\_)

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\_\_\_\_\_

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Senator \_\_\_\_\_

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FOR THE COMMITTEE