

1 S.230

2 Senator Champion moves that the report of the Committee on Natural
3 Resources and Energy be amended as follows:

4 First: In Sec. 14, 30 V.S.A. § 8005a, in subsection (c) (cumulative
5 capacity), in subdivision 1 (pace), by striking out subdivision (D) and inserting
6 in lieu thereof a new subdivision (D) to read:

7 (D) Pilot project; preferred locations. For a period of three years
8 commencing on January 1, 2017:

9 (i) The Board shall allocate the following portions of the
10 annual increase to new standard offer plants that will be wholly located in
11 one or more preferred locations other than parking lots or parking lot
12 canopies:

13 (I) one-sixth of the annual increase, during the first year;

14 (II) one-quarter of the annual increase, during the second
15 year; and

16 (III) one-third of the annual increase, during the third year.

17 (ii) The Board separately shall allocate the following portions
18 of the annual increase to new standard offer plants that will be wholly
19 located on parking lots or parking lot canopies:

20 (I) one-sixth of the annual increase, during the first year;

1 **(II) one-quarter of the annual increase, during the second**
2 **year; and**

3 **(III) one-third of the annual increase, during the third year.**

4 (iii) To qualify for these allocations, the plant shall not require the
5 construction of a new substation by the interconnecting retail electricity
6 provider or increasing the capacity of one or more of the provider’s existing
7 facilities.

8 (iv) These allocations shall apply proportionally to the
9 independent developer block and provider block.

10 **(v) If in a given year an allocation under this pilot project is**
11 **not fully subscribed, the Board in the same year shall allocate the**
12 **unsubscribed capacity to new standard offer plants outside the pilot**
13 **project.**

14 Second: In Sec. 14, 30 V.S.A. § 8005a, in subsection (f) (price), by striking
15 out subdivision (5) and inserting in lieu thereof a new subdivision (5) to read:

16 (5) Price; preferred location pilots. For the period during which the
17 Board allocates capacity to new standard offer plants that will be wholly
18 located in one or more preferred locations as set forth in subdivision (c)(1)(D)
19 of this section, the following shall apply to the price paid to such a plant:

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

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

9 Third: After Sec. 14, by inserting a Sec. 14a to read:

10 Sec. 14a. STANDARD OFFER PILOT; REPORT

11 On or before January 15, 2018, the Public Service Board shall file a report
12 with the House Committee on Commerce and Economic Development, the
13 Senate Committee on Finance, and the House and Senate Committees on
14 Natural Resources and Energy on the progress of the standard offer pilot
15 project on preferred locations authorized in Sec. 14 of this act. This report
16 shall itemize the size, type of preferred location, generation technology, and
17 cost per kilowatt hour of each application received under the pilot project and
18 shall identify each generation facility approved under the pilot and the bill
19 credit per kilowatt hour awarded to each such facility.