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2 TO THE HOUSE OF REPRESENTATIVES:

3 The Committee on Energy and Technology to which was referred House  
4 Bill No. 501 entitled “An act relating to electricity storage on the Vermont  
5 grid” respectfully reports that it has considered the same and recommends that  
6 the bill be amended by striking out all after the enacting clause and inserting in  
7 lieu thereof the following:

8 **Sec. 1. ENERGY STORAGE; REPORT**

9 (a) Definitions. As used in this section, “energy storage” means a system  
10 that uses mechanical, chemical, or thermal processes to store energy for  
11 later use.

12 (b) Report. On or before November 15, 2017, the Commissioner of Public  
13 Service shall submit a report on the issue of deploying energy storage on the  
14 Vermont electric transmission and distribution system.

15 (1) The Commissioner shall submit the report to the House Committee  
16 on Energy and Technology, and the Senate Committees on Finance and on  
17 Natural Resources and Energy.

18 (2) ~~During the preparation of the report, the Commissioner may shall~~  
19 provide an opportunity for the public and Vermont electric companies to  
20 submit relevant information and recommendations to assist the Commissioner  
21 in gathering information in preparation of the report.

22 (3) The report shall:



1 (b) Definitions. ~~For purposes of~~ As used in this section, the following  
2 definitions shall apply:

3 (1) “Clean energy resources” means electric power supply and demand-  
4 side resources, or thermal energy or geothermal resources, that are “combined  
5 heat and power facilities,” “cost-effective energy efficiency resources,” or  
6 “renewable energy” resources. The term includes energy storage attached to a  
7 renewable energy resource.

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9 **(6) “Energy storage” means a system that uses mechanical,**  
10 **chemical, or thermal processes to store energy for later use.**

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12 (d) Expenditures authorized.

13 (1) Projects for funding may include the following:

14 (A) projects that will sell power in commercial quantities;

15 (B) among those projects that will sell power in commercial  
16 quantities, funding priority will be given to those projects that commit to sell  
17 power to Vermont utilities on favorable terms;

18 (C) projects to benefit publicly owned or leased buildings;

19 (D) renewable energy projects on farms, which may include any or  
20 all costs incurred to upgrade to a three-phase line to serve a system on a farm;

21 (E) small scale renewable energy in Vermont residences, institutions,  
22 and businesses:

- 1 (i) generally; and
- 2 (ii) through the Small-scale Renewable Energy Incentive Program;
- 3 (F) projects under the agricultural economic development special
- 4 account established under 6 V.S.A. § 4710(g) to harvest biomass, convert
- 5 biomass to energy, or produce biofuel;
- 6 (G) until December 31, 2008 only, super-efficient buildings;
- 7 (H) projects to develop and use thermal or geothermal energy,
- 8 regardless of whether they also involve the generation of electricity;
- 9 (I) emerging energy-efficient technologies;
- 10 (J) effective projects that are not likely to be established in the
- 11 absence of funding under the program;
- 12 (K) natural gas vehicles and associated fueling infrastructure if each
- 13 such vehicle is dedicated only to natural gas fuel and, on a life cycle basis, the
- 14 vehicle's emissions will be lower than commercially available vehicles using
- 15 other fossil fuel, and any such infrastructure will deliver gas without
- 16 interruption of flow;
- 17 (L) electric vehicles and associated charging stations;
- 18 (M) energy storage ~~attached to~~ that supports a renewable energy
- 19 resource.

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21 Sec. 3. EFFECTIVE DATE

22 This act shall take effect on passage.

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

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Representative \_\_\_\_\_

FOR THE COMMITTEE

DRAFT