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H.616

Introduced by Representatives Yantachka of Charlotte, McCormack of  
Burlington, and Sullivan of Burlington

Referred to Committee on

Date:

Subject: Energy; public service; energy efficiency; efficiency utilities; thermal  
energy and process fuel funds

Statement of purpose of bill as introduced: This bill proposes to allow an  
efficiency utility to use thermal efficiency monies to convert thermal  
customers using fossil fuels to biomass-led district heat.

An act relating to thermal efficiency monies and biomass-led district heat

It is hereby enacted by the General Assembly of the State of Vermont:

Sec. 1. 30 V.S.A. § 209 is amended to read:

§ 209. JURISDICTION; GENERAL SCOPE

\* \* \*

(e) Thermal energy and process fuel efficiency funding.

(1) Each of the following shall be used to deliver thermal energy and  
process fuel energy efficiency services in accordance with this section for  
unregulated fuels to Vermont consumers of such fuels. In addition, the  
Commission may authorize an entity appointed to deliver such services under

1 subdivision (d)(2)(B) of this section to use monies subject to this subsection  
2 for the conversion of thermal energy customers using fossil fuels to biomass-  
3 led district heat, provided those customers employ high efficiency heating  
4 appliances and such conversion is cost-effective.

5 (A) Net revenues above costs associated with payments from the  
6 New England Independent System Operator (ISO-NE) for capacity savings  
7 resulting from the activities of the energy efficiency utility designated under  
8 subdivision (2)(A) of this subsection (e) that are not transferred to the State  
9 PACE Reserve Fund under 24 V.S.A. § 3270(c). These revenues shall be  
10 deposited into the Electric Efficiency Fund established by this section. In  
11 delivering services with respect to heating systems using the revenues subject  
12 to this subdivision (A), the entity shall give priority to incentives for the  
13 installation of high efficiency biomass heating systems and shall have a goal of  
14 offering an incentive that is equal to 25 percent of the installed cost of such a  
15 system. ~~In this subdivision (A), "biomass" means organic nonfossil material~~  
16 ~~constituting a source of renewable energy within the meaning of section 8002~~  
17 ~~of this title.~~ Provision of an incentive under this subdivision (A) for a biomass  
18 heating system shall not be contingent on the making of other energy  
19 efficiency improvements at the property on which the system will be installed.

1           (B) Net revenues above costs from the sale of carbon credits under  
2           the cap and trade program established under section 255 of this title, which  
3           shall be deposited into the Electric Efficiency Fund established by this section.

4           (C) Any other monies that are appropriated to or deposited in the  
5           Electric Efficiency Fund for the delivery of thermal energy and process fuel  
6           energy efficiency services.

7           (2) If a program combines regulated fuel efficiency services with  
8           unregulated fuel efficiency services supported by funds under this section, the  
9           Commission shall allocate the costs of the program among the funding sources  
10          for the regulated and unregulated fuel sectors in proportion to the benefits  
11          provided to each sector.

12          (3) In this subsection:

13           (A) “Biomass” means organic nonfossil material constituting a  
14           source of renewable energy within the meaning of section 8002 of this title.

15           (B) “District heat” means a system through which steam or hot water  
16           from a central plant is piped into buildings to be used as a source of thermal  
17           energy.

18           (C) “Efficiency services” includes the establishment of a statewide  
19           information clearinghouse under subsection (g) of this section.

