

* * *

Sec. 1. 30 V.S.A. § 201 is amended to read:

§ 201. DEFINITIONS

* * *

(c) As used in this chapter, “energy storage facility” means a system that uses mechanical, chemical, or thermal processes to store energy for export to the grid.

* * *

Sec. 2. 30 V.S.A. § 248 is amended to read:

§ 248. NEW GAS AND ELECTRIC PURCHASES, INVESTMENTS, AND
FACILITIES; CERTIFICATE OF PUBLIC GOOD

(a)(1) No company, as defined in section 201 of this title, may:

* * *

(B) invest in an electric generation facility, energy storage facility, or transmission facility located outside this State unless the Public Utility Commission first finds that the same will promote the general good of the State and issues a certificate to that effect.

(2) Except for the replacement of existing facilities with equivalent facilities in the usual course of business, and except for electric generation or energy storage facilities that are operated solely for on-site electricity consumption by the owner of those facilities and for hydroelectric generation facilities subject to licensing jurisdiction under the Federal Power Act, 16 U.S.C. chapter 12, subchapter 1:

(A) no company, as defined in section 201 of this title, and no person, as defined in 10 V.S.A. § 6001(14), may begin site preparation for or construction of an electric generation

facility, energy storage facility, or electric transmission facility within the State that is designed for immediate or eventual operation at any voltage; and

(B) no such company may exercise the right of eminent domain in connection with site preparation for or construction of any such transmission facility, energy storage facility, or generation facility, unless the Public Utility Commission first finds that the same will promote the general good of the State and issues a certificate to that effect.

* * *

(7) When a certificate of public good under this section or amendment to such a certificate is issued for an in-state electric generation or energy storage facility with a capacity that is greater than 15 kilowatts, the certificate holder within 45 days shall record a notice of the certificate or amended certificate, on a form prescribed by the Commission, in the land records of each municipality in which a facility subject to the certificate is located and shall submit proof of this recording to the Commission. The recording under this subsection shall be indexed as though the certificate holder were the grantor of a deed. The prescribed form shall not exceed one page and shall require identification of the land on which the facility is to be located by reference to the conveyance to the current landowner, the number of the certificate, and the name of each person to which the certificate was issued, and shall include information on how to contact the Commission to view the certificate and supporting documents.

Sec. 3. PUBLIC UTILITY COMMISSION ENERGY STORAGE UPDATE

- (1) The Public Utility Commission (PUC) shall update its decommissioning rules to include energy storage facilities.
- (2) The PUC, in consultation with the Department of Public Service and other stakeholders, including distribution utilities, and the energy storage development community including

entities represented by Renewable Energy Vermont, ~~and other stakeholders,~~ shall develop recommendations for:

- a. The regulatory treatment of energy storage facilities of varying sizes and types, including aggregations of such facilities.
- b. The treatment of energy storage in renewable energy programs under Chapter 89 of Title 30.

The PUC shall report these recommendations and proposed statutory language changes to the General Assembly on or before December 31, 2019.

Sec. 4. APPLICABILITY OF REGULATORY TREATMENT OF ENERGY STORAGE FACILITIES

Sec. 2 of this bill shall, until such time as it is replaced, only apply to energy storage projects with a capacity of 500 kW or greater and energy storage projects of any size that are not subject to direct or indirect control of grid-exporting capabilities by a Vermont distribution utility.