H.133

Introduced by Representatives Briglin of Thetford, Scheuermann of Stowe, and Sibilia of Dover

Referred to Committee on

Date:

Subject: Public Service; energy; reporting; energy storage

Statement of purpose of bill as introduced: This bill proposes to permit the Department of Public Service to consolidate its Title 30 reporting requirements into the Annual Energy Report. This bill also proposes to clarify jurisdiction over ~~include consideration and application of~~ energy storage.

An act relating to miscellaneous energy subjects

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

Sec. 1. Legislative Findings

a) The General Assembly finds that:

(1) The health and safety of Vermont's residents and visitors, as well as the economy of the State depend on a reliable and efficient electricity and electrical distribution and transmission system.

Commented [REV1]: Recommended by REV

(2) It is in the public interest to limit barriers to the installation, interconnection, and use of customer-sited renewable electricity, heating and transportation.

Sec. 2~~1~~. 30 V.S.A. § 203a is amended to read:

§ 203a. FUEL EFFICIENCY FUND

* * *

(c) ~~Report. On or before January 15, 2010, and annually thereafter, the Department of Public Service shall report to the General Assembly on the expenditure of funds from the Fuel Efficiency Fund to meet the public's needs for energy efficiency services. The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the report to be made under this subsection.~~ [Repealed.]

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Sec. 3~~2~~. 2012 Acts and Resolves No. 165, Section 2 is amended to read:

Sec. 2. MEMORANDUM OF UNDERSTANDING; SMALL HYDROELECTRIC PROJECTS

* * *

(e) ~~No later than January 15, 2014 and annually by each second January 15 thereafter, the commissioner shall submit a written report to the general assembly detailing the progress of the MOU program, including an identification of each hydroelectric project participating in the program. After~~

~~five hydroelectric projects participating in the program are approved and commence operation, reports filed under this subsection shall evaluate and provide lessons learned from the program, including recommendations, if any, on how to improve procedures for obtaining approval of micro hydroelectric projects (100 kilowatts capacity or less). The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the report to be submitted under this subsection.~~ [Repealed.]

* * *

Sec. 4~~3~~. 30 V.S.A. § 8105 is amended to read:

§ 8105. ~~REPORTING~~

~~(a) A host community for which a Vermont village green renewable project has been certified under this chapter shall file a report to the Commission and the Commissioner of Public Service by December 31 of each year following certification. The report shall contain such information as is required by the Commission and the Commissioner. The report shall include at a minimum sufficient information for the Commissioner of Public Service to submit the report required by subsection (b) of this section.~~

~~(b) Beginning on March 1, 2010, and annually thereafter, the Commissioner of Public Service shall submit a report to the Senate Committees on Economic Development, Housing and General Affairs, on Finance, and on Natural Resources and Energy, and the House Committees on~~

~~Ways and Means, on Commerce and Economic Development, and on Energy and Technology, and the Governor, which shall include an update on progress made in the development of the Vermont village green renewable projects authorized under this chapter. The report also shall include an analysis of the costs and benefits of the projects as well as any recommendations consistent with the purposes of this chapter. The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the report to be made under this subsection.~~ [Repealed.]

Sec. 5~~4~~. 30 V.S.A. §202b(e) is amended to read:

§ 202b. STATE COMPREHENSIVE ENERGY PLAN

* * *

(e) The Commissioner of Public Service (Commissioner) shall file an annual report on progress in meeting the goals of the Plan. The report shall address each of the following sectors of energy consumption in the State: electricity, nonelectric fuels for thermal purposes, and transportation. In preparing the report, the Commissioner shall consult with the Secretaries of Administration, of Agriculture, Food and Markets, of Natural Resources, and of Transportation and the Commissioner of Buildings and General Services.

* * *

(7) Any activity that occurs under the Vermont Small ~~Hyrdoelectric Projects~~ Hydropower Assistance Program, the Vermont Village Green Program, or the Fuel Efficiency Fund.

* * *

Sec. 6~~5~~. 30 V.S.A. § 8005b is amended to read:

§ 8005b. RENEWABLE ENERGY PROGRAMS; REPORTS

(a) The Department shall file reports with the General Assembly in accordance with this section.

* * *

(2) The Department shall ~~file the report under~~ include the components of subsection (b) of this section ~~annually each January 15~~ in its Annual Energy Report required under subsection 202b(e) of this title commencing in ~~2018~~ 2020 through 2033.

(3) The Department shall ~~file the report under~~ include the components of subsection (c) of this section ~~biennially each March 1~~ in its Annual Energy Report required under subsection 202b(e) of this title biennially commencing in ~~2017~~ 2020 through 2033.

* * *

(c) The biennial report under this section shall include at least each of the following:

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(2) Commencing with the report to be filed in 2019, each retail electricity provider's required amount of renewable energy during the two preceding ~~calendar~~ years using the most recent available data for each category of the RES as set forth in section 8005 of this title.

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Sec. 7~~6~~5. 30 V.S.A. § 8010 is amended to read:

§ 8010. SELF-GENERATION AND NET METERING

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(d) ~~On or before January 15, 2020 and every third January 15 thereafter~~ Commencing in 2021 and biennially thereafter, the Department shall submit to the Commission ~~a report that evaluates~~ its evaluation of the current state of net metering in Vermont, which shall be included within the Department's Annual Energy Report required under subsection 202b(e) of this title and shall also be submitted to the Committees listed under subdivision 202b(e)(2) of this title. ~~The Department shall make this report publicly available.~~ The ~~report~~ evaluation shall:

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Sec. ~~7~~6~~8~~8. 30 V.S.A. § 201 is amended to read:

§ 201. DEFINITIONS

* * *

(c) As used in this chapter, "energy storage" means a system that uses mechanical, chemical, or thermal processes to store energy for later use.

(d) As used in this chapter, "distributed energy resources" (DER) means a ~~resource sited close to customers that can provide all or some of their immediate electric and power needs and or a resource sited close to customers that can also~~ a resource that can be used by the electrical system to either reduce demand, such as energy efficiency, or provide supply to satisfy the energy, capacity, or ancillary service needs of the distribution grid. ~~The resources, if providing electricity or thermal energy, are small in scale, connected to the distribution system, and close to load.~~ Examples of types of DER include solar photovoltaic, wind, local hydro, combined heat and power, energy storage, demand response, electric vehicles, microgrids, and energy efficiency.

Commented [REV2]: Don't' understand need or benefit in including this definition in statute given that the term is not used in this chapter. Recommend deleting or amending.

(e) As used in this chapter, "microgrid" means a group of interconnected loads and distributed energy resources within clearly defined electrical boundaries that acts as a single controllable entity with respect to the grid. A microgrid can connect and disconnect from the grid and enable it to operate in both grid-connected mode or island mode.

Sec. 9. 30 V.S.A. § 209 is amended to read:

§ 209. JURISDICTION; GENERAL SCOPE

* * *

(k) **Energy Storage Facilities**. Except when owned by a retail distribution utility, energy storage facilities shall be exempt from regulation under Title 30 except 30 V.S.A. §§ 209(a)(3), 214, and 248.

Sec. 10~~98~~7. 30 V.S.A. § 8002 is amended to read:

§ 8002. DEFINITIONS

As used in this chapter:

* * *

(18) "Plant" means an independent technical facility that generates electricity from renewable energy or that uses mechanical, chemical, or thermal processes to store such electricity for export to the grid~~later use~~. A group of facilities, such as wind turbines, shall be considered one plant if the group is part of the same project and uses common equipment and infrastructure such as roads, control facilities, and connections to the electric grid. Common ownership, contiguity in time of construction, and proximity of facilities to each other shall be relevant to determining whether a group of facilities is part of the same project.

(19) "Plant Capacity" means the rated electrical nameplate for a plant, except that, in the case of a solar energy plant, the term shall mean the aggregate AC nameplate capacity of all inverters used to convert the plant's

output to AC power. When a plant is comprised of electric generation and energy storage facilities, plant capacity shall not include the electrical nameplate capacity of the energy storage facility.

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Sec. 11~~098~~. 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 aggregated facilities~~ with a capacity of 1 M~~500 k~~W or more, 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 facilities that are operated solely for on-site electricity consumption by the owner of those facilities, energy storage facilities that do not export electricity~~power~~ to the grid, 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 aggregated facilities~~ with a capacity of 1 M~~500 k~~W or more, 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 aggregated facilities~~ with a capacity of 1 M~~500 k~~W or more, 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. 12~~10~~9. PUBLIC UTILITY COMMISSION ENERGY STORAGE UPDATE

1) The Public Utility Commission (PUC) shall ~~-~~update its decommissioning ~~and aesthetic~~ rules to include energy storage facilities with a capacity of 1 MW or more.

2) By December 15, 2019, the PUC shall propose an updated interconnection rule that:

a. Incorporates energy storage facilities with a capacity of 1 MW or more that export electricity to the grid.

b. Incorporates a notification to the interconnecting electric utility for energy storage facilities with a capacity of less than 1 MW that export electricity to the grid.

c. Recognizes the physical and operational characteristics and benefits of energy storage facilities and facilitates their utilization including in grid constrained areas.

Commented [REV3]: Recommended by REV

d. Requires a system impact study for a proposed energy storage facility, if such study is deemed necessary, to be based on the designed net export capacity.

e. Establishes a mechanism to track utility compliance with deadlines set by the PUC's rule; interconnection performance and interconnecting customer satisfaction; time and cost to the interconnecting customer of interconnection for various plant types, technologies and sizes of interconnecting electricity generation and energy storage systems.

3) The PUC, in consultation with the Department of Public Service and the public, shall develop recommendations for:

a. ~~how to~~ incorporating energy storage facilities into the Net Metering Rules adopted pursuant to 30 V.S.A. § 8010.

~~a.~~b. How aggregations of distributed energy resources should be tracked and regulated.

c. Encouraging utilization and installation of energy storage equipment manufactured in Vermont.

Commented [REV4]: Recommended by REV (b,c)

d. Establishing peak load reduction and energy storage procurement targets for electric utilities.

e. Encouraging utilization of energy storage to maximize the value and benefits of renewable electricity generation in Vermont.

–The PUC shall report these recommendations to the General Assembly on or before December 31, 2019.

Sec. 132. 10 V.S.A. § 6001 is amended to read:

§ 6001. DEFINITIONS

In this chapter:

* * *

(D) The word "development" does not include:

* * *

(ii) The construction of improvements for an electric generation or transmission facility that requires a certificate of public good under 30 V.S.A. § 248, a natural gas facility as defined in 30 V.S.A. § 248(a)(3), a storage facility as defined in 30 V.S.A. § 201(c), or a telecommunications facility issued a certificate of public good under 30 V.S.A. § 248a.

Sec. 143. 24 V.S.A. § 4413 is amended to read:

§ 4413. LIMITATIONS ON MUNICIPAL BYLAWS

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(b) A bylaw under this chapter shall not regulate public utility power generating plants, and transmission facilities, or storage facilities regulated under 30 V.S.A. § 248.

Sec. 15

(a) The provisions of this act shall supersede any provisions to the contrary contained with the Public Utility Commission's rules as they existed immediately prior to the effective date of this act.

Sec. 16~~4~~10. EFFECTIVE DATE

This act shall take effect on July 1, 2019.