

1 TO THE HONORABLE SENATE:

2 The Committee on Finance to which was referred Senate Bill No. 267
3 entitled “An act relating to the Renewable Energy Standard” respectfully
4 reports that it has considered the same and recommends that the bill be
5 amended by striking out all after the enacting clause and inserting in lieu
6 thereof the following:

7 Sec. 1. 30 V.S.A. § 8002 is amended to read:

8 § 8002. DEFINITIONS

9 As used in this chapter:

10 * * *

11 (17) “New renewable energy” means renewable energy produced by a
12 specific and identifiable plant coming into service after ~~June 30, 2015~~
13 December 31, 2004.

14 (A) Energy from within a system of generating plants that includes
15 renewable energy shall not constitute new renewable energy, regardless of
16 whether the system includes specific plants that came or come into service
17 after ~~June 30, 2015~~ December 31, 2004.

18 (B) “New renewable energy” also may include the additional energy
19 from an existing renewable energy plant retrofitted with advanced technologies
20 or otherwise operated, modified, or expanded to increase the kWh output of the
21 plant in excess of an historical baseline established by calculating the average

1 output of that plant for the 10-year period that ended June 30, 2015 or
2 December 31, 2004. If the production of new renewable energy through
3 changes in operations, modification, or expansion involves combustion of the
4 resource, the system also must result in an incrementally higher level of energy
5 conversion efficiency or significantly reduced emissions.

6 * * *

7 Sec. 2. 30 V.S.A. § 8005 is amended to read:

8 § 8005. RES CATEGORIES

9 (a) Categories. This section specifies three categories of required resources
10 to meet the requirements of the RES established in section 8004 of this title:
11 total renewable energy, distributed renewable generation, and energy
12 transformation.

13 (1) Total renewable energy.

14 * * *

15 (B) Required amounts. The amounts of total renewable energy
16 required by this subsection shall be ~~55~~ 59 percent of each retail electricity
17 provider's annual retail electric sales during the year beginning on January 1,
18 ~~2017~~ 2020, increasing by an additional ~~four~~ 8.2 percent each ~~third~~ second
19 January 1 thereafter, until reaching ~~75~~ 100 percent on and after January 1, ~~2032~~
20 2030.

21 * * *

1 (2) Distributed renewable generation.

2 * * *

3 (B) Definition. As used in this section, “distributed renewable
4 generation” means one of the following:

5 (i) a renewable energy plant that is new renewable energy; has a
6 plant capacity of five MW or less; and

7 (I) is directly connected to the subtransmission or distribution
8 system of a Vermont retail electricity provider; or

9 (II) is directly connected to the transmission system of an
10 electric company required to submit a Transmission System Plan under
11 subsection 218c(d) of this title, if the plant is part of a plan approved by the
12 Commission to avoid or defer a transmission system improvement needed to
13 address a transmission system reliability deficiency identified and analyzed in
14 that Plan; ~~or~~

15 (ii) a net metering system approved under the former section 219a
16 or under section 8010 of this title if the system is new renewable energy and
17 the interconnecting retail electricity provider owns and retires the system’s
18 environmental attributes; or

19 (iii) a hydroelectric renewable energy plant that has a plant
20 capacity of five MW or less and is owned and operated by a retail electricity

1 provider that is a municipal electric utility as of January 1, 2020, including any
2 future modifications.

3 (C) Required amounts. The required amounts of distributed
4 renewable generation shall be one percent of each retail electricity provider's
5 annual retail electric sales during the year beginning on January 1, 2017,
6 increasing by an additional three-fifths of a percent each subsequent January 1
7 until reaching ~~40~~ 3.4 percent on ~~and after~~ January 1, 2021, and increasing by
8 an additional 1.564 percent each subsequent January 1 until reaching 20
9 percent on and after January 1, 2032.

10 (i) The provisions of this subdivision shall not apply to a retail
11 electricity provider that meets the requirements of subdivision (b)(1) of this
12 section.

13 (ii) A retail electricity provider and Vermont Electric Power
14 Company shall provide a GIS-based interconnection map depicting the
15 location and capacity of existing substations and circuits and noting any
16 significant impediments to interconnection to the Commission **and the**
17 **Department**, which shall make the map available to municipalities, developers,
18 and other relevant persons as appropriate to assist in determining the
19 appropriate location for new renewable generation. Retail electricity providers
20 shall update the maps not less than quarterly or on a more frequent schedule set
21 by the Commission **and the Department**.

1 (iii) On or before December 15, 2020 and every third year
2 thereafter, the Department shall recommend adjustments to legislation, rules,
3 policies, and programs to the General Assembly to support the implementation
4 of this section in a cost-effective manner that takes into account any:

5 (I) economic benefits;

6 (II) environmental benefits;

7 (III) impact upon rates as measured on an annual basis and on
8 an overall basis for the period 2020–2032;

9 (IV) greenhouse gas reductions;

10 (V) economic and resilience benefits resulting from requiring
11 that a percentage of electric kWh sales be met with renewable energy credits
12 from in-state generation resources;

13 (VI) impacts of increasing electric rates on Vermont businesses
14 and on the adoption of beneficial electrification strategies such as electric
15 vehicles and heat pumps; and

16 (VII) potential for resources developed through the net
17 metering and standard offer programs to help meet the renewable energy
18 standard and the impact of these programs on the cost of renewable
19 development.

20 (iv) The recommendations pursuant to subdivision (iii) of this
21 subsection shall include:

- 1 (I) strategies to ensure that renewable generation is located to
- 2 maximize benefits to the State’s economy, community resilience, the reliability
- 3 and efficiency of the distribution and transmission system,
- 4 (II) strategies to minimize ratepayer costs and rate increases and
- 5 the need for upgrades to the distribution and transmission system;
- 6 (III) strategies to address existing transmission constraints and
- 7 to prevent or minimize future constraints; and
- 8 (IV) suggestions to streamline and adjust the permitting
- 9 process and potential financial incentives to be based on the location of
- 10 distributed renewable generation on the distribution and transmission system
- 11 and the colocation of that generation with energy storage technologies.

* * *

Sec. 3. RENEWABLE ENERGY STANDARDS PURSUANT TO

30 V.S.A. § 8005(a)(1)(B), TOTAL RENEWABLE ENERGY

Pursuant to 30 V.S.A. § 8005(a)(1)(B), the amounts of total renewable energy required shall be 59 percent of each retail electricity provider’s annual retail electric sales during the year beginning on January 1, 2020 and shall increase by an additional 8.2 percent each second January 1 thereafter until reaching 100 percent on and after January 1, 2030:

	<u>Year</u>	<u>Increment</u>	<u>Percentage</u>
	<u>2020</u>		<u>59.00%</u>

1	<u>2022</u>	<u>8.20%</u>	<u>67.20%</u>
2	<u>2024</u>	<u>8.20%</u>	<u>75.40%</u>
3	<u>2026</u>	<u>8.20%</u>	<u>83.60%</u>
4	<u>2028</u>	<u>8.20%</u>	<u>91.80%</u>
5	<u>2030</u>	<u>8.20%</u>	<u>100.00%</u>

6 Sec. 4. RENEWABLE ENERGY STANDARDS PURSUANT TO
7 30 V.S.A. § 8005(a)(2)(C), DISTRIBUTED RENEWABLE
8 GENERATION

9 Pursuant to 30 V.S.A. § 8005(a)(2)(C), the required amounts of distributed
10 renewable generation shall be one percent of each retail electricity provider's
11 annual retail electric sales during the year beginning on January 1, 2017,
12 increasing by an additional three-fifths of a percent each subsequent January 1
13 until reaching 3.4 percent on January 1, 2021, and increasing by an additional
14 1.564 percent each subsequent January 1 until reaching 20 percent on and after
15 January 1, 2032:

16	<u>Year</u>	<u>Increment</u>	<u>Percentage</u>
17	<u>2017</u>		<u>1.00%</u>
18	<u>2018</u>	<u>0.600%</u>	<u>1.60%</u>
19	<u>2019</u>	<u>0.600%</u>	<u>2.20%</u>
20	<u>2020</u>	<u>0.600%</u>	<u>2.80%</u>
21	<u>2021</u>	<u>0.600%</u>	<u>3.40%</u>

1	<u>2022</u>	<u>1.564%</u>	<u>4.36%</u>
2	<u>2023</u>	<u>1.564%</u>	<u>5.93%</u>
3	<u>2024</u>	<u>1.564%</u>	<u>7.49%</u>
4	<u>2025</u>	<u>1.564%</u>	<u>9.06%</u>
5	<u>2026</u>	<u>1.564%</u>	<u>10.62%</u>
6	<u>2027</u>	<u>1.564%</u>	<u>12.18%</u>
7	<u>2028</u>	<u>1.564%</u>	<u>13.75%</u>
8	<u>2029</u>	<u>1.564%</u>	<u>15.31%</u>
9	<u>2030</u>	<u>1.564%</u>	<u>16.88%</u>
10	<u>2031</u>	<u>1.564%</u>	<u>18.44%</u>
11	<u>2032</u>	<u>1.564%</u>	<u>20.00%</u>

12 Sec. 5. STUDIES AND REPORTS

13 The Agency of Natural Resources (ANR), in conjunction with the
14 Department of Public Service, shall conduct a full life-cycle analysis of the
15 total greenhouse gases emitted during the planning, construction, and operation
16 of hydroelectric renewable energy plants with a capacity of 200 MW or more
17 that are within the supply portfolio of a Vermont retail electricity provider.
18 ANR shall submit a written report on its findings to the General Assembly on
19 or before January 20, 2021.

1 Sec. 6. EFFECTIVE DATES

2 This act shall take effect on July 1, 2020, except that Sec. 1 (definitions);
3 Sec. 2, 30 V.S.A. § 8005(a)(2)(B) and (C)(i) (RES categories, distributed
4 renewable generation); and Sec. 4 (renewable energy standards pursuant to 30
5 V.S.A. § 8005(a)(2)(C), distributed renewable generation) shall take effect on
6 July 1, 2021.

7

8 (Committee vote: _____)

9

10

Senator _____

11

FOR THE COMMITTEE