

1 TO THE HONORABLE SENATE:

2 The Committee on Natural Resources and Energy to which was referred  
3 Senate Bill No. 171 entitled “An act relating to addressing climate change,  
4 increasing weatherization, and rating the energy performance of buildings”  
5 respectfully reports that it has considered the same and recommends that the  
6 bill be amended by striking out all after the enacting clause and inserting in  
7 lieu thereof the following:

8 Sec. 1. FINDINGS

9 The General Assembly finds that:

10 (1) Pursuant to 10 V.S.A. § 578, it is the goal of Vermont to reduce  
11 greenhouse gas emissions from the 1990 baseline by 50 percent by January 1,  
12 2028, and, if practicable, by 75 percent by January 1, 2050. Pursuant to  
13 10 V.S.A. § 581, it is also the goal of Vermont to improve the energy fitness of  
14 at least 20 percent (approximately 60,000 units) of the State’s housing stock by  
15 2017, and 25 percent (approximately 80,000 units) by 2020, thereby reducing  
16 fossil fuel consumption and saving Vermont families a substantial amount of  
17 money.

18 (2) The State is failing to achieve these goals. For example, Vermont’s  
19 greenhouse gas emissions have increased 16 percent compared to the 1990  
20 baseline.

1           (3) Approximately 24 percent of the greenhouse gas emissions within  
2           Vermont stem from residential and commercial heating and cooling usage.  
3           Much of Vermont’s housing stock is old, inadequately weatherized, and  
4           therefore not energy efficient.

5           (4) The Regulatory Assistance Project recently issued a report  
6           recommending two strategies to de-carbonize Vermont and address climate  
7           change. First, electrifying the transportation sector. Second, focusing on  
8           substantially increasing the rate of weatherization in Vermont homes and  
9           incentivizing the adoption of more efficient heating technologies such as cold  
10           climate heat pumps.

11           (5) Although the existing Home Weatherization Assistance Program  
12           assists low-income Vermonters to weatherize their homes and reduce energy  
13           use, the Program currently weatherizes approximately 850 homes a year. This  
14           rate is insufficient to meet the State’s statutory greenhouse gas reduction and  
15           weatherization goals.

16           (6) Since 2009, proceeds from the Regional Greenhouse Gas Initiative  
17           (RGGI) and the Forward Capacity Market (FCM) have been used to fund  
18           thermal efficiency and weatherization initiatives by Efficiency Vermont, under  
19           the oversight of the Public Utility Commission (PUC). Approximately 800  
20           Vermont homes and businesses are weatherized each year under a market-  
21           based approach that utilizes 50 participating contractors. Efficiency Vermont

1 and the contractors it works with have the capacity to substantially increase the  
2 number of projects undertaken each year.

3 (7) A three-part approach is necessary to address this issue. The first  
4 part will increase the funds available to the Home Weatherization Assistance  
5 Program, thereby allowing the Program to assist many more low-income  
6 Vermonters each year. This will not only help those Vermonters save money  
7 and live in habitable homes, but also reduce greenhouse gas emissions from the  
8 housing sector. The second part will provide additional funding to Efficiency  
9 Vermont to weatherize more homes and buildings owned by Vermonters who  
10 do not qualify for the Home Weatherization Assistance Program. The third  
11 part will establish a statewide voluntary program for rating and labeling the  
12 energy performance of buildings to make energy use and costs visible for  
13 buyers, sellers, owners, lenders, appraisers, and real estate professionals.

14 (8) This three-part approach will save Vermonters money, improve the  
15 housing stock, and help our State meet its greenhouse gas reduction and  
16 weatherization goals, thereby addressing climate change.

17 Sec. 2. SHORT TITLE

18 This act may be known as the “Comprehensive Weatherization Act.”

1 Sec. 3. 33 V.S.A. § 2503 is amended to read:

2 § 2503. FUEL TAX

3 (a)(1) There is imposed a tax on the retail sale of heating oil, propane,  
4 kerosene, and other dyed diesel fuel delivered to a residence or business, at the  
5 rate of ~~\$0.02~~ \$0.04 per gallon.

6 (2) There is imposed a gross receipts tax of ~~0.75~~ 1.5 percent on the retail  
7 sale of natural gas and coal.

8 (3) There is imposed a gross receipts tax of 0.5 percent on the retail sale  
9 of electricity.

10 (b) The tax shall be levied upon and collected monthly from the seller.

11 Fuel sellers may itemize the tax on the invoice or bill, and if the seller does  
12 itemize the amount, the invoice or bill shall include a statement that the tax is  
13 “for support of Vermont’s Low Income Home Weatherization Program.”

14 (c) The tax shall be administered by the Commissioner of Taxes, ~~and~~  
15 75 percent of all receipts shall be deposited by the Commissioner in the Home  
16 Weatherization Assistance Fund pursuant to section 2501 of this title, and  
17 25 percent in the Electric Efficiency Fund pursuant to 30 V.S.A. § 209(e). All  
18 provisions of law relating to the collection, administration, and enforcement of  
19 the sales and use tax imposed by 32 V.S.A. chapter 233 shall apply to the tax  
20 imposed by this chapter.

1       ~~(d) No tax under this section shall be imposed for any month ending after~~  
2       ~~June 30, 2019.~~

3       Sec. 4. 30 V.S.A. chapter 2, subchapter 2 is added to read:

4               Subchapter 2. Building Energy Labeling and Benchmarking

5       § 61. DEFINITIONS

6       As used in this subchapter:

7               (1) “Benchmarking” means measuring the energy performance of a  
8       single building or portfolio of buildings over time in comparison to other  
9       similar buildings or to modeled simulations of a reference building built to a  
10       specific standard such as an energy code.

11              (2) “Commercial Working Group” means the Commercial and Multiunit  
12       Building Energy Labeling Working Group established by subsection 62(b) of  
13       this title.

14              (3) “Commission” means the Public Utility Commission.

15              (4) “Department” means the Department of Public Service.

16              (5) “Distribution company” means a company under the jurisdiction of  
17       the Commission that distributes electricity or natural gas for consumption by  
18       end users.

19              (6) “Energy efficiency utility” means an energy efficiency entity  
20       appointed under subdivision 209(d)(2) of this title.

1           (7) “Energy label” means the visual presentation in a consistent format  
2           of an energy rating for a building and any other supporting and comparative  
3           information. The label may be provided as a paper certificate or made  
4           available online, or both.

5           (8) “Energy rating” means a simplified mechanism to convey a  
6           building’s energy performance. The rating may be based on the operation of  
7           the building or modeled based on the building’s assets.

8           (9) “Home energy assessor” means an individual who assigns buildings  
9           a home energy performance score using a scoring system based on the energy  
10           rating.

11           (10) “Multiunit building” means a building that contains more than one  
12           independent dwelling unit or separate space for independent commercial use,  
13           or both.

14           (11) “Residential Working Group” means the Residential Building  
15           Energy Labeling Working Group established by subsection 62(a) of this title.

16           (12) “Unit holder” means the tenant or owner of an independent  
17           dwelling unit or separate space for independent commercial use within a  
18           multiunit building.

19           § 62. BUILDING ENERGY WORKING GROUPS

20           (a) Residential Working Group. There is established the Residential  
21           Building Energy Labeling Working Group.

- 1           (1) The Residential Working Group shall consist of the following:
- 2                   (A) the Commissioner of Public Service (Commissioner) or designee;
- 3                   (B) an expert in the design, implementation, and evaluation of  
4 programs and policies to promote investments in energy efficiency who is not  
5 a member of an organization described elsewhere in this subsection, appointed  
6 by the Commissioner;
- 7                   (C) a representative of each energy efficiency utility, chosen by that  
8 efficiency utility;
- 9                   (D) the Director of the State Office of Economic Opportunity or  
10 designee;
- 11                   (E) a representative of Vermont’s community action agencies  
12 appointed by the Vermont Community Action Partnership;
- 13                   (F) a representative, with energy efficiency expertise, of the Vermont  
14 Housing and Conservation Board, appointed by that Board;
- 15                   (G) a building performance professional, appointed by the Building  
16 Performance Professionals Association;
- 17                   (H) a representative of the real estate industry, appointed by the  
18 Vermont Association of Realtors; and
- 19                   (I) such other members with expertise in energy efficiency, building  
20 design, energy use, or the marketing and sale of real property as the  
21 Commissioner may appoint.

1           (2) The Residential Working Group shall advise the Commissioner in  
2           the development of informational materials pursuant to section 63 of this title.

3           (b) Commercial Working Group. There is established the Commercial and  
4           Multunit Building Energy Labeling Working Group.

5           (1) The Commercial Working Group shall consist of the following:

6           (A) the Commissioner or designee;

7           (B) an expert in the design, implementation, and evaluation of  
8           programs and policies to promote investments in energy efficiency who is not  
9           a member of an organization described elsewhere in this subsection, appointed  
10          by the Commissioner;

11          (C) a representative of each energy efficiency utility, chosen by that  
12          efficiency utility;

13          (D) the Director of the State Office of Economic Opportunity or  
14          designee;

15          (E) a representative of Vermont's community action agencies,  
16          appointed by the Vermont Community Action Partnership;

17          (F) a representative, with energy efficiency expertise, of the Vermont  
18          Housing and Conservation Board, appointed by that Board; and

19          (G) such other members with expertise in energy efficiency, building  
20          design, energy use, or the marketing and sale of real property as the  
21          Commissioner may appoint.

1           (2) The Commercial and Multiunit Working Group shall advise the  
2           Commissioner in the development of forms pursuant to section 64 of this title.

3           (c) Co-chairs. Each working group shall elect two co-chairs from among  
4           its members.

5           (d) Meetings. Meetings of each working group shall be at the call of a co-  
6           chair or any three of its members. The meetings shall be subject to the  
7           Vermont Open Meeting Law and 1 V.S.A. § 172.

8           (e) Vacancy. When a vacancy arises in a working group created under this  
9           section, the appointing authority shall appoint a person to fill the vacancy.

10          (f) Responsibilities. The Working Groups shall advise the Commissioner  
11          on the following:

12           (1) requirements for home assessors, including any endorsements,  
13           licensure, and bonding required;

14           (2) programs to train home energy assessors;

15           (3) requirements for reporting building energy performance scores given  
16           by home energy assessors and the establishment of a system for maintaining  
17           such information;

18           (4) requirements to standardize the information on a home energy label;  
19           and

20           (5) other matters related to benchmarking, energy rating, or energy  
21           labels for residential, commercial, and multiunit buildings.

1     § 63. DISCLOSURE OF INFORMATIONAL MATERIAL; SINGLE-  
2             FAMILY DWELLINGS

3             (a) Disclosure. For a contract for the conveyance of real property that is a  
4             single-family dwelling, executed on or after January 1, 2020, the seller shall,  
5             within 72 hours of the execution, provide the buyer with informational  
6             materials developed by the Department in consultation with the Residential  
7             Working Group. These materials shall include information on:

8                     (1) resources for determining home energy use and costs for Vermont  
9             homes and opportunities for energy savings;

10                    (2) available voluntary tools for energy rating and energy labels; and

11                    (3) available programs and services in Vermont related to energy  
12             efficiency, building energy performance, and weatherization.

13             (b) Marketability of title. Noncompliance with the requirements of this  
14             section shall not affect the marketability of title of a property.

15             (c) Penalty; liability. Liability for failure to provide the informational  
16             materials required by this section shall be limited to a civil penalty, imposed by  
17             the Public Utility Commission under section 30 of this title, of no less than  
18             \$25.00 and no more than \$250.00 for each violation.

19     § 64. MULTIUNIT BUILDINGS; ACCESS TO AGGREGATED DATA

20             (a) Obligation; aggregation and release of data. On request of the owner of  
21             a multiunit building or the owner's designated agent, each distribution

1 company and energy efficiency utility shall aggregate monthly energy usage  
2 data in its possession for the unit holders in the building and release the  
3 aggregated data to the owner or agent. The aggregated data shall be  
4 anonymized.

5 (1) Under this section, the obligation to aggregate and release data shall  
6 accrue when the owner or agent:

7 (A) Certifies that the request is made for the purpose of  
8 benchmarking or preparing an energy label for the building.

9 (B) With respect to a multiunit building that has at least four unit  
10 holders, provides documentation certifying that, at least 14 days prior to  
11 submission of the request, each unit holder was notified that the energy usage  
12 data of the holder was to be requested and that this notice gave each unit holder  
13 an opportunity to opt out of the energy use aggregation. The owner or agent  
14 shall identify, to the distribution company or energy efficiency utility  
15 requesting the data, each unit holder that opted out.

16 (C) With respect to a multiunit building that has fewer than four unit  
17 holders, provides an energy usage data release authorization from each unit  
18 holder.

19 (2) A unit holder may authorize release of the holder's energy usage  
20 data by signature on a release authorization form or clause in a lease signed by  
21 the unit holder. The provisions of 9 V.S.A. § 276 (recognition of electronic

1 records and signatures) shall apply to release authorization forms under this  
2 subsection.

3 (3) After consultation with the Commercial Working Group, the  
4 Commissioner of Public Service shall prescribe forms for requests and release  
5 authorizations under this subsection. The request form shall include the  
6 required certification.

7 (b) Response period. A distribution company or energy efficiency utility  
8 shall release the aggregated energy use data to the building owner or  
9 designated agent within 30 days of its receipt of a request that meets the  
10 requirements of subsection (a) of this section.

11 (1) The aggregation shall exclude energy usage data for each unit holder  
12 who opted out or, in the case of a multiunit building with fewer than four unit  
13 holders, each unit holder for which a signed release authorization was not  
14 received.

15 (2) A distribution company may refer a complete request under  
16 subsection (a) of this section to an energy efficiency utility that possesses the  
17 requisite data, unless the data is to be used for a benchmarking program to be  
18 conducted by the company.

1 Sec. 5. 27 V.S.A. § 617 is added to read:

2 § 617. DISCLOSURE OF ENERGY INFORMATIONAL MATERIAL;  
3 SINGLE-FAMILY DWELLINGS

4 The provisions of 30 V.S.A. § 63 shall apply when a contract is executed  
5 for the conveyance of real property that is a single-family dwelling.

6 Sec. 6. WORKING GROUPS; CONTINUATION

7 (a) The Residential Energy Labeling Working Group and Commercial  
8 Energy Labeling Working Group convened by the Department of Public  
9 Service in response to 2013 Acts and Resolves No. 89, Sec. 12, as each group  
10 existed on February 1, 2019, shall continue in existence respectively as the  
11 Residential Building Energy Labeling Working Group and the Commercial  
12 and Multiunit Building Energy Labeling Working Group created under Sec. 1  
13 of this act, 30 V.S.A. § 62. Those persons who were members of such a  
14 working group as of that date may continue as members and, in accordance  
15 with 30 V.S.A. § 62, the appointing authorities shall fill vacancies in the  
16 working group as they arise.

17 (b) Within 60 days of this section's effective date, the Commissioner of  
18 Public Service shall make appointments to each working group created under  
19 Sec. 1 of this act to fill each membership position newly created by Sec. 1,  
20 30 V.S.A. § 62.

1       Sec. 7. REPORT; COMMERCIAL AND MULTIUNIT BUILDING

2                   ENERGY

3           (a) On or before January 15, 2021, the Commissioner of Public Service (the  
4           Commissioner), in consultation with the Commercial and Multiunit Building  
5           Energy Labeling Working Group created under Sec. 4 of this act, shall file a  
6           report and recommendations on each of the following:

7                   (1) each issue listed under “unresolved issues” on page 45 of the report  
8           to the General Assembly in response to 2013 Acts and Resolves No. 89,  
9           Sec. 12, entitled “Development of a Voluntary  
10           Commercial/Multifamily/Mixed-Use Building Energy Label” and dated  
11           December 15, 2014; and

12                   (2) the appropriateness and viability of publicly disclosing the results of  
13           benchmarking as defined in 30 V.S.A. § 61.

14           (b) The Commissioner shall file the report and recommendations created  
15           under subsection (a) of this section with the House Committee on Energy and  
16           Technology and the Senate Committees on Finance and on Natural Resources  
17           and Energy.

18       Sec. 8. EFFECTIVE DATE

19           This act shall take effect on July 1, 2019.

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

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Senator \_\_\_\_\_

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FOR THE COMMITTEE