

1 S.161

2 Introduced by Senators Kitchel, Benning and Starr

3 Referred to Committee on

4 Date:

5 Subject: Public service; renewable energy programs; baseload renewable  
6 power portfolio requirement

7 Statement of purpose of bill as introduced: This bill proposes to extend the  
8 baseload renewable power portfolio requirement until 2032 unless the baseload  
9 renewable power plant does not utilize at least 40 percent of its energy.

10 An act relating to extending the baseload renewable power portfolio  
11 requirement

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

13 Sec. 1. 30 V.S.A. § 8009 is amended to read:

14 § 8009. BASELOAD RENEWABLE POWER PORTFOLIO  
15 REQUIREMENT

16 \* \* \*

17 (b) Notwithstanding subsection 8004(a) and subdivision 8005(c)(1) of this  
18 title, commencing November 1, 2012, each Vermont retail electricity provider  
19 shall purchase the provider's pro rata share of the baseload renewable power  
20 portfolio requirement, which shall be based on the total Vermont retail kWh

1 sales of all such providers for the previous calendar year. The obligation  
2 created by this subsection shall cease on November 1, ~~2024~~ 2032.

3 \* \* \*

4 (d) ~~The~~ On or before November 1, 2026, the Commission shall determine,  
5 for the period beginning on November 1, 2026 and ending on November 1,  
6 2032, the price to be paid to a plant used to satisfy the baseload renewable  
7 power portfolio requirement. The Commission shall not be required to make  
8 this determination as a contested case under 3 V.S.A. chapter 25. The price  
9 shall be the avoided cost of the Vermont composite electric utility system. ~~It~~  
10 As used in this subsection, the term “avoided cost” means the incremental cost  
11 to retail electricity providers of electric energy or capacity, or both, which, but  
12 for the purchase from the plant proposed to satisfy the baseload renewable  
13 power portfolio requirement, such providers would obtain from a source using  
14 the same generation technology as the proposed plant. ~~It~~ For the purposes of  
15 this subsection, the term “avoided cost” also includes the Commission’s  
16 consideration of each of the following:

17 (1) ~~The~~ the relevant cost data of the Vermont composite electric utility  
18 system;

19 (2) ~~The~~ the terms of the potential contract, including the duration of the  
20 obligation;

1           (3) ~~The~~ the availability, during the system's daily and seasonal peak  
2 periods, of capacity or energy from a proposed plant;

3           (4) ~~The~~ the relationship of the availability of energy ~~or~~, capacity,  
4 renewable energy credits and attributes, and other market products and services  
5 from the proposed plant to the ability of the Vermont composite electric utility  
6 system or a portion thereof to avoid costs;

7           (5) ~~The~~ the costs or savings resulting from variations in line losses from  
8 those that would have existed in the absence of purchases from the proposed  
9 plant; and

10          (6) ~~The~~ the supply and cost characteristics of the proposed plant,  
11 including the costs of operation and maintenance of an existing plant during  
12 the term of a proposed contract.

13                                   \* \* \*

14          (f) With respect to a plant used to satisfy the baseload renewable power  
15 portfolio requirement:

16                                   \* \* \*

17           (2) Any tradeable renewable energy credits and attributes that are  
18 attributable to the electricity purchased shall be transferred to the Vermont  
19 retail electricity providers in accordance with their pro rata share of the costs  
20 for such electricity as determined under subdivision (1) of this subsection.

21                                   \* \* \*

1        (j) The Commission shall authorize any Agency participating in a  
2        proceeding pursuant to this section or an Order issued under this section to  
3        assess its costs against a proposed plant consistent with section 21 of this title.

4        Sec. 2. 2021 Acts and Resolves No. 39, Sec. 2 is amended to read:

5            Sec. 2. PUBLIC UTILITY COMMISSION ORDER EXTENSION

6            All decisions and orders of the former Public Service Board and the Public  
7        Utility Commission in the matter Investigation into the Establishment of a  
8        Standard-Offer Price for Baseload Renewable Power under the Sustainably  
9        Priced Energy Enterprise Development (SPEED) Program, Docket No. 7782,  
10       shall remain in full force and effect through October 31, ~~2024~~ 2032. For years  
11       2023 ~~and~~, 2024, and 2025 and the period from January 1, 2026 to November 1,  
12       2026, the purchase price shall be the levelized value determined in Docket  
13       No. 7782.

14            Sec. 3. AUTOMATIC TERMINATION OF MUST TAKE OBLIGATION

15            (a) On or before July 1, 2023, the owner of a plant used to satisfy the  
16        baseload renewable power portfolio requirement provided for in 30 V.S.A.  
17        § 8009 shall submit to the Public Utility Commission and the Department of  
18        Public Service:

19            (1) a signed contract providing for the construction of a facility at the  
20        plant that will utilize the excess thermal heat generated at the plant for a  
21        beneficial purpose; and

1           (2) a certification by a professional engineer that the construction of the  
2           facility will result in at least 40 percent of the heat value of the biomass  
3           utilized by the plant being used for a beneficial purpose.

4           (b) If a contract and certification is not submitted to the Commission and  
5           Department on or before July 1, 2023 or if by November 1, 2025 the Public  
6           Utility Commission finds that less than 40 percent of the heat value of biomass  
7           is not being utilized for a beneficial purpose, then the obligation under  
8           30 V.S.A. § 8009 for each Vermont retail electricity provider to purchase a pro  
9           rata share of the baseload renewable power portfolio requirement with respect  
10           to the plant shall cease on November 1, 2025, and the Public Utility  
11           Commission is not required to conduct the rate determination provided for in  
12           30 V.S.A. § 8009(d). This determination shall be based on information  
13           provided by the owner of each plant and the Department of Public Service.

14           Sec. 4. EFFECTIVE DATE

15           This act shall take effect on passage.