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S.161

Introduced by Senators Kitchel, Benning and Starr

Referred to Committee on Finance

Date: January 4, 2022

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

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

An act relating to extending the baseload renewable power portfolio
requirement

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

~~§ 8009. 30 V.S.A. § 8009 is amended to read.~~

§ 8009. BASELOAD RENEWABLE POWER PORTFOLIO
REQUIREMENT

* * *

(b) Notwithstanding subsection 8004(a) and subdivision 8005(c)(1) of this
title, commencing November 1, 2012, each Vermont retail electricity provider
shall purchase the provider's pro rata share of the baseload renewable power
~~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 ~~(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
12 1, 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.~~

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

*§ 8009. BASELOAD RENEWABLE POWER PORTFOLIO
REQUIREMENT*

** * **

(b) Notwithstanding subsection 8004(a) and subdivision 8005(c)(1) of this title, commencing November 1, 2012, each Vermont retail electricity provider shall purchase the provider's pro rata share of the baseload renewable power portfolio requirement, which shall be based on the total Vermont retail kWh sales of all such providers for the previous calendar year. The obligation created by this subsection shall cease on November 1, 2024 2025.

* * *

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

Sec. 2. PUBLIC UTILITY COMMISSION ORDER EXTENSION

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

Sec. 3. 2021 Acts and Resolves No. 39, Sec. 3 is amended to read:

*Sec. 3. BASELOAD RENEWABLE POWER PORTFOLIO
REQUIREMENT; COLOCATION REPORT*

On or before January 15, ~~2023-2024~~, the owner of the baseload renewable power plant subject to 30 V.S.A. § 8009(b) shall report to the General Assembly on whether a project utilizing the excess thermal energy generated by the plant has been developed and is operational, or when a project utilizing the excess thermal energy generated by the plant will be operational.

Sec. 4. EFFECTIVE DATE

This act shall take effect on passage.