

1 Sec. X. 29 V.S.A. § 168a is added to read:

2 § 168a. MUNICIPAL ENERGY MANAGEMENT REVOLVING FUND

3 (a) Creation. There is established the Municipal Energy Management  
4 Revolving Fund to provide financing to a municipality for equipment  
5 replacement, studies, weatherization, construction of improvements affecting  
6 the use of energy resources, the implementation of energy efficiency and  
7 conservation measures, and the use of renewable resources. Monies from the  
8 Fund shall be loaned for measures anticipated to generate a cost-savings to a  
9 municipality, as determined by the Commissioner.

10 (b) Monies in the Fund. The Fund shall consist of:

11 (1) monies appropriated to the Fund or that are paid to it under  
12 authorization of the Emergency Board;

13 (2) monies saved by the implementation of energy efficiency  
14 improvements and the use of renewable resources; and

15 (3) fees for administrative costs paid by municipalities, which may be  
16 fixed by the Commissioner subject to the approval of the Secretary of  
17 Administration.

18 (c) Loan eligibility and criteria. The Commissioner shall establish:

19 (1) criteria to determine eligibility for funding, including terms for  
20 returns of investment;

21 (2) a priority basis for the selection process that ensures equitable  
22 allocation of funds to municipalities, considering at least financial need,  
23 geographic distribution, and ability to repay; and

1           (3) loan conditions that ensure accountability by a municipality  
2 receiving funds.

3           (d) Repayment terms. A municipality receiving funding shall repay the  
4 Fund through its regular operating budget according to a schedule established  
5 by the Commissioner. Repayment may include charges of fees for  
6 administrative costs over the term of the repayment.

7           (e) Fund administration:

8           (1) The Commissioner of Finance and Management may anticipate  
9 receipts to this Fund and issue warrants based thereon.

10           (2) The Commissioner of Buildings and General Services shall maintain  
11 accurate and complete records of all receipts by and expenditures from the  
12 Fund.

13           (3) All balances remaining at the end of a fiscal year shall be carried  
14 over to the following year.

15           (f) Definitions. As used in this section:

16           (1) “Energy efficiency improvement” means a set of measures aimed at  
17 reducing the energy used by specific end-use devices and systems to provide  
18 light, heat, cooling, or other services without affecting the level of service  
19 provided. An energy efficiency project may also include energy conservation  
20 measures, that is, a reduction in energy consumption that corresponds with a  
21 reduction in service demand.

22           (2) “Municipality” has the same meaning as under 1 V.S.A. § 126.

23           (3) “Renewables” has the same meaning as under 30 V.S.A. § 8002.

1           (4) “Resource conservation measures” means a set of measures,  
2           including a study, product, process, or technology, aimed at reducing overall  
3           use or consumption of energy resources. “Resource conservation measures”  
4           includes energy efficiency improvements.

5           (g) Annual report. Beginning on or before January 15, 2022 and annually  
6           thereafter, the Department of Buildings and General Services shall report to the  
7           House Committee on Corrections and Institutions on the expenditure of funds  
8           from the Municipal Energy Management Revolving Fund. For each fiscal  
9           year, the report shall include a summary of each project receiving funding and  
10           the municipality’s expected savings. The provisions of 2 V.S.A. § 20(d)  
11           (expiration of required reports) shall not apply to the report to be made under  
12           this subsection.