

1 * * * Energy Storage Facility; Definition * * *

2 Sec. __. 30 V.S.A. § 201(4) is amended to read:

3 (4) “Energy storage facility” means a stationary device or system that
4 ~~uses mechanical, chemical, or thermal processes to store energy for export to~~
5 ~~the grid~~ captures energy produced at one time, stores that energy for a period
6 of time, and delivers or may deliver that energy as electricity to the grid for use
7 at a future time.

8 Sec. __. 30 V.S.A. § 8002(30) is added to read:

9 (30) “Energy storage facility” means a stationary device or system that
10 captures energy produced at one time, stores that energy for a period of time,
11 and delivers or may deliver that energy as electricity to the grid for use at a
12 future time.

13 * * * Uniform Capacity Tax * * *

14 Sec. __. 32 V.S.A. § 8701 is amended to read:

15 § 8701. UNIFORM CAPACITY TAX

16 (a) As used in this section, the terms “energy storage facility,” “kW,”
17 “kWh,” “plant,” “plant capacity,” and “renewable energy” shall be as defined
18 in 30 V.S.A. §§ 201(4) and 8002; provided, however, that any tax or
19 exemption under this chapter shall only apply to the fixtures and personal
20 property of a plant; and not to the underlying land.

1 (b)(1) There is assessed on any renewable energy plant in Vermont
2 commissioned to generate solar power an annual tax of \$4.00 per kW of plant
3 capacity.

4 (2) There is assessed on any stationary grid-connected energy storage
5 facility in Vermont that has a plant energy rating of 600 kWh or larger and that
6 is not connected to a renewable energy plant an annual tax of \$0.50 per kWh of
7 plant energy rating.

8 (3) The tax imposed under this section shall be paid to the Department
9 of Taxes ~~no~~ not later than April 15 of each year and accompanied by a return
10 with such information as the Department of Taxes may require. The
11 Department of Taxes shall deposit the taxes collected under this section into
12 the Education Fund. The Department of Taxes may adopt procedures and rules
13 necessary to implement the tax in this section.

14 (c) A renewable energy plant that generates electricity from solar power
15 shall be exempt from taxation under this section if it has a plant capacity of
16 less than 50kW. An energy storage facility shall be exempt from taxation
17 under this section if it has a plant energy rating of less than 600 kWh.

18 (d) The existence of a renewable energy plant or energy storage facility
19 subject to tax under subsection (b) of this section shall not:

20 (1) alter the exempt status of any underlying property under section
21 3802 or subdivision 5401(10)(F) of this title; or

1 (2) alter the taxation of the underlying property under chapter 135 of
2 this title.

3 * * * Property Tax * * *

4 Sec. __. 32 V.S.A. § 3800(n) is added to read:

5 (n) The statutory purpose of the exemptions for renewable energy plants
6 generating electricity from solar power in subdivision 3802(17) of this title and
7 for energy storage facilities in subdivision 3802(19) of this title is to lower the
8 cost of generating and storing electricity from solar power for smaller plants
9 and facilities.

10 Sec. __. 32 V.S.A. § 3802 is amended to read:

11 § 3802. PROPERTY TAX

12 The following property shall be exempt from taxation:

13 * * *

14 (17) Real and personal property, except land, ~~composing~~ comprising a
15 renewable energy plant generating electricity from solar power ~~which~~ that has
16 a plant capacity of less than 50 kW and is either:

17 (A) operated on a net-metered system; or

18 (B) not connected to the electric grid and provides power only on the
19 property on which the plant is located.

20 (18) [Repealed.]

