
This act summary is provided for the convenience of the public and members of the General Assembly. It is intended to provide a general summary of the act and may not be exhaustive. It has been prepared by the staff of the Office of Legislative Counsel without input from members of the General Assembly. It is not intended to aid in the interpretation of legislation or to serve as a source of legislative intent.

Act No. 18 (S. 5). An act relating to affordably meeting the mandated greenhouse gas reductions for the thermal sector through efficiency, weatherization measures, electrification, and decarbonization

Subjects: Climate change; renewable energy; air pollution; fuel; heating

This act establishes the Clean Heat Standard (CHS) to reduce Vermont's greenhouse gas emissions from the thermal sector. The CHS shall be administered by the Public Utility Commission with assistance from the Clean Heat Standard Technical Advisory Group. The Public Utility Commission shall report back to the General Assembly with proposed final rules to implement the CHS by January 15, 2025.

The CHS requires entities that import heating fuel into Vermont to reduce their amount of greenhouse gas emissions every year. The required reduction will be determined by the PUC by determining the reduction amount needed to meet the thermal sector portion of the required reductions under 10 V.S.A. § 578(a). Greenhouse gas reductions will be represented by clean heat credits. Obligated parties will need to either generate or purchase clean heat credits sufficient to cover their required amount every year. Clean heat credits will be generated by actions approved by the PUC called clean heat measures. Obligated parties will be required to have at least 32 percent of their annual clean heat credits come from customers with low and moderate income.

Effective Date: May 11, 2023