

1 H.320

2 Introduced by Representative Elder of Starksboro

3 Referred to Committee on

4 Date:

5 Subject: Public service; energy; renewable energy; Renewable Energy

6 Standard

7 Statement of purpose of bill as introduced: This bill proposes to update the

8 amount of total renewable energy required pursuant to the Renewable Energy

9 Standard.

10 An act relating to the Renewable Energy Standard

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

12 Sec. 1. FINDINGS

13 The General Assembly finds:

14 (1) Recent electricity rate hikes across New England have been driven
15 by high fossil fuel prices. Vermont ratepayers have experienced comparatively
16 lower electricity rate increases in large part because the State adopted the
17 Renewable Energy Standard (RES) in 2015 and has thereby reduced the State's
18 use of fossil fuels for electricity generation. It is in the interest of the persons
19 of the State to eliminate the use of fossil fuel electricity generation from the
20 State's electricity sector.

1 (2) All of the legislative findings made in 2022 Acts and Resolves No.
2 154, Sec. 1, an act relating to environmental justice in Vermont, remain true
3 and are incorporated by reference here.

4 (3) Vermont must equitably reduce greenhouse gas emissions from the
5 State’s electricity sector. It is the State’s responsibility to pursue
6 environmental justice for its residents and to ensure that its agencies do not
7 contribute to unfair distribution of environmental benefits to or environmental
8 burdens on low-income; limited-English proficient; and Black, Indigenous, and
9 Persons of Color (BIPOC) communities. Relying on electricity from fossil
10 fuel and other polluting generation sources places undue burdens on
11 historically marginalized persons and communities in Vermont and outside
12 Vermont.

13 (4) All of the legislative findings made in 2020 Acts and Resolves No.
14 153, Sec. 2, the Vermont Global Warming Solutions Act of 2020, remain true
15 and are incorporated by reference here.

16 (5) Under the Vermont Global Warming Solutions Act of 2020 and 10
17 V.S.A. § 578, Vermont has a legal obligation to reduce greenhouse gas
18 emissions to specific levels by 2025, 2030, and 2050.

19 (6) To meet the greenhouse gas emission reductions required by the
20 Vermont Global Warming Solutions Act of 2020, Vermont must reduce
21 greenhouse gas emissions from the State’s electricity sector to facilitate clean

1 transitions in the State’s thermal and transportation sectors, which depend upon
2 abundant renewable electricity.

3 Sec. 2. 30 V.S.A. § 8001 is amended to read:

4 § 8001. RENEWABLE ENERGY GOALS

5 (a) The General Assembly finds it in the interest of the ~~people~~ persons of
6 the State to promote the State energy policy established in section 202a of this
7 title by:

8 (1) Achieving the greenhouse gas emission reduction requirements of 10
9 V.S.A. § 578 by reducing greenhouse gas emissions in the State’s electricity
10 sector and facilitating clean transitions in the State’s thermal and transportation
11 sectors, which depend upon abundant renewable electricity.

12 (2) Equitably reducing greenhouse gas emissions within the State’s
13 electricity sector by providing just transitions consistent with the findings
14 made in 2022 Acts and Resolves No. 154, Sec. 1, an act relating to
15 environmental justice in Vermont, and 3 V.S.A. chapter 72, to Vermonters
16 living with low-income and moderate-income, who have limited English
17 proficiency, and who are Black, Indigenous, and Persons of Color.

18 (3) Balancing the benefits, lifetime costs, and rates of the State’s overall
19 energy portfolio, taking into account the social cost of carbon for all
20 greenhouse gas emissions on the basis of their carbon dioxide equivalent
21 (CO₂e), to ensure that to the greatest extent possible the economic benefits of

1 renewable energy in the State flow to the Vermont economy in general, and to
2 the rate-paying citizens of the State in particular.

3 ~~(2)~~(4) Supporting development of renewable energy that uses natural
4 resources efficiently and related planned energy industries in Vermont, and the
5 jobs and economic benefits associated with such development, while retaining
6 and supporting existing renewable energy infrastructure.

7 ~~(3)~~(5) Providing an incentive for the State's retail electricity providers to
8 enter into affordable, long-term, stably priced renewable energy contracts that
9 mitigate market price fluctuation for Vermonters.

10 ~~(4)~~(6) Developing viable markets for renewable energy and energy
11 efficiency projects.

12 ~~(5)~~(7) Protecting and promoting air and water quality in the State and
13 region through the displacement of those fuels, including fossil fuels, which
14 are known to emit or discharge pollutants.

15 ~~(6)~~(8) Contributing to reductions in global climate change and
16 anticipating the impacts on the State's economy that might be caused by
17 federal regulation designed to attain those reductions.

18 ~~(7)~~(9) Providing support and incentives to locate renewable energy
19 plants of small and moderate size in a manner that is distributed across the
20 State's electric grid, including locating such plants in areas that will provide

1 benefit to the operation and management of that grid through such means as
2 reducing line losses and addressing transmission and distribution constraints.

3 ~~(8)~~(10) Promoting the inclusion, in Vermont’s electric supply portfolio,
4 of renewable energy plants that are diverse in plant capacity and type of
5 renewable energy technology.

6 * * *

7 Sec. 3. 30 V.S.A. § 8002 is amended to read:

8 § 8002. DEFINITIONS

9 As used in this chapter:

10 (1) “Commission” means the Public Utility Commission under section 3
11 of this title.

12 (2) “Commissioned” or “commissioning” means the first time a plant is
13 put into operation following initial construction or modernization if the costs of
14 modernization are at least 50 percent of the costs that would be required to
15 build a new plant, including all buildings and structures technically required
16 for the new plant’s operation. However, these terms shall not include activities
17 necessary to establish operational readiness of a plant.

18 (3) “Community energy system” means a grid-connected plant that
19 serves multiple customers, the majority, by capacity, of whom offtake a share
20 not greater than 15 kW.

1 ~~(3)~~(4) “CPI” means the Consumer Price Index for all urban consumers,
2 designated as “CPI-U,” in the northeast region, as published by the U.S.
3 Department of Labor, Bureau of Labor Statistics.

4 ~~(4)~~(5) “Customer” means a retail electric consumer.

5 ~~(5)~~(6) “Department” means the Department of Public Service under
6 section 1 of this title, unless the context clearly indicates otherwise.

7 ~~(6)~~(7) “Energy conversion efficiency” means the effective use of energy
8 and heat from a combustion process.

9 ~~(7)~~(8) “Environmental attributes” means the characteristics of a plant
10 that enable the energy it produces to qualify as renewable energy and include
11 any and all benefits of the plant to the environment such as avoided emissions
12 or other impacts to air, water, or soil that may occur through the plant’s
13 displacement of a nonrenewable energy source.

14 ~~(8)~~(9) “Existing renewable energy” means renewable energy produced
15 by a plant that came into service prior to or on ~~June 30, 2015~~ January 1, 2010.

16 ~~(9)~~(10) “Greenhouse gas reduction credits” shall be as defined in section
17 8006a of this title.

18 ~~(10)~~(11) “Group net metering system” means a net metering system
19 serving more than one customer, or a single customer with multiple electric
20 meters, located within the service area of the same retail electricity provider.
21 Various buildings owned by municipalities, including water and wastewater

1 districts, fire districts, villages, school districts, and towns, may constitute a
2 group net metering system. A union or district school facility may be
3 considered in the same group net metering system with buildings of its
4 member schools that are located within the service area of the same retail
5 electricity provider.

6 ~~(11)~~(12) “kW” means kilowatt or kilowatts (AC).

7 ~~(12)~~(13) “kWh” means kW hour or hours.

8 ~~(13)~~(14) “MW” means megawatt or megawatts (AC).

9 ~~(14)~~(15) “MWH” means MW hour or hours.

10 ~~(15)~~(16) “Net metering” means measuring the difference between the
11 electricity supplied to a customer and the electricity fed back by the customer’s
12 net metering system during the customer’s billing period:

13 * * *

14 ~~(16)~~(17) “Net metering system” means a plant for generation of
15 electricity that:

16 (A) is of no more than 500 kW capacity;

17 (B) operates in parallel with facilities of the electric distribution
18 system;

19 (C) is intended primarily to offset the customer’s own electricity
20 requirements and does not primarily supply electricity to electric vehicle
21 supply equipment, as defined in section 201 of this title, for the resale of

1 electricity to the public by the kWh or for other retail sales to the public,
2 including those based in whole or in part on a flat fee per charging session or a
3 time-based fee for occupying a parking space while using electric vehicle
4 supply equipment; ~~and~~

5 (D)(i) employs a renewable energy source; or

6 (ii) is a qualified micro-combined heat and power system of 20
7 kW or fewer that meets the definition of combined heat and power in
8 subsection 8015(b) of this title and uses any fuel source that meets air quality
9 standards; and

10 (E) for a plant commissioned after January 1, 2025, generates energy
11 that will be used on the same site where it is located.

12 * * *

13 ~~(17)~~(18) “New renewable energy” means renewable energy produced by
14 a specific and identifiable plant coming into service after ~~June 30, 2015~~
15 January 1, 2010 and physically located within the New England Independent
16 System Operator Control Area (ISO-NE Control Area).

17 (A) Energy from within a system of generating plants that includes
18 renewable energy shall not constitute new renewable energy, regardless of
19 whether the system includes specific plants that came or come into service
20 after ~~June 30, 2015~~ January 1, 2010.

1 (B) “New renewable energy” also may include the additional energy
2 from an existing renewable energy plant retrofitted with advanced technologies
3 or otherwise operated, modified, or expanded to increase the kWh output of the
4 plant in excess of an historical baseline established by calculating the average
5 output of that plant for the 10-year period that ended ~~June 30, 2015~~ January 1,
6 2010. If the production of new renewable energy through changes in
7 operations, modification, or expansion involves combustion of the resource,
8 the system also must result in an incrementally higher level of energy
9 conversion efficiency or significantly reduced emissions.

10 ~~(18)~~(19) “Plant” means an independent technical facility that generates
11 electricity from renewable energy. A group of facilities, such as wind turbines,
12 shall be considered one plant if the group is part of the same project and uses
13 common equipment and infrastructure such as roads, control facilities, and
14 connections to the electric grid. Common ownership, contiguity in time of
15 construction, and proximity of facilities to each other shall be relevant to
16 determining whether a group of facilities is part of the same project.

17 ~~(19)~~(20) “Plant capacity” means the rated electrical nameplate for a
18 plant, except that, in the case of a solar energy plant, the term shall mean the
19 aggregate AC nameplate capacity of all inverters used to convert the plant’s
20 output to AC power.

1 (B) the party claiming ownership of the tradeable renewable energy
2 credits has acquired the exclusive legal ownership of all, and not less than all,
3 the environmental attributes associated with that unit of energy; ~~and~~

4 (C) exclusive legal ownership can be verified through an auditable
5 contract path or pursuant to the system established or authorized by the
6 Commission or any program for tracking and verification of the ownership of
7 environmental attributes of energy legally recognized in any state and
8 approved by the Commission; and

9 (D) tradeable renewable energy credits shall not include attributes
10 transferred or recorded separately from the energy if that energy is from a plant
11 physically outside the ISO-NE Control Area.

12 (27) “Vermont composite electric utility system” means the combined
13 generation, transmission, and distribution resources along with the combined
14 retail load requirements of the Vermont retail electricity providers.

15 * * *

16 Sec. 4. 30 V.S.A. § 8004 is amended to read:

17 § 8004. SALES OF ELECTRIC ENERGY; RENEWABLE ENERGY

18 STANDARD (RES)

19 (a) Establishment; requirements. The RES is established. Under this
20 program, a retail electricity provider shall not sell or otherwise provide or offer
21 to sell or provide electricity in the State of Vermont without ownership of

1 sufficient energy produced by renewable energy plants or sufficient tradeable
2 renewable energy credits from plants whose energy is capable of delivery in
3 New England that reflect the required amounts of renewable energy set forth in
4 section 8005 of this title or without support of energy transformation projects
5 in accordance with that section. A retail electricity provider may meet the
6 required amounts of renewable energy through eligible tradeable renewable
7 energy credits that it owns and retires, eligible renewable energy resources
8 with environmental attributes still attached that it owns and retires, or a
9 combination of those credits and resources. In no instance may environmental
10 attributes from plants physically located outside the ISO-NE Control Area that
11 are not still attached to the renewable energy resources generating those
12 environmental attributes be used to meet any part of the amounts of renewable
13 energy set forth in section 8005 of this title.

14 * * *

15 Sec. 5. 30 V.S.A. § 8005 is amended to read:

16 § 8005. RES CATEGORIES

17 (a) Categories. This section specifies three categories of required resources
18 to meet the requirements of the RES established in section 8004 of this title:
19 total renewable energy, distributed renewable generation, and energy
20 transformation.

21 (1) ~~Total~~ Existing renewable energy.

1 (A) Purpose; establishment. To encourage the economic, health,
2 equity, greenhouse gas emissions reductions, and environmental benefits of
3 renewable energy, this subdivision establishes, for the RES, minimum ~~total~~
4 amounts of existing renewable energy within the supply portfolio of each retail
5 electricity provider. To satisfy this requirement, a provider may use renewable
6 energy with environmental attributes attached or any class of tradeable
7 renewable energy credits generated by ~~any~~ a renewable energy plant whose
8 energy is capable of delivery in New England.

9 (B) Required amounts.

10 (i) The ~~amounts~~ amount of ~~total~~ existing renewable energy
11 required by this subsection shall be ~~55~~ 57 percent of each retail electricity
12 provider's annual ~~retail~~ electric ~~sales~~ purchases during the year beginning on
13 January 1, ~~2017~~ 2025, increasing by an additional ~~four~~ 1.5 percent each ~~third~~
14 January 1 thereafter, until reaching ~~75~~ 64.5 percent on and after January 1,
15 ~~2032-2030~~.

16 (ii) During the year beginning on January 1, 2031, the maximum
17 amount of existing renewable energy required by this subsection (a) shall be
18 59.6 percent of each retail electricity provider's annual retail electricity
19 purchases, decreasing by 4.9 percent each January 1 thereafter, until reaching
20 40 percent on and after January 1, 2035.

1 (C) Relationship to other categories. Distributed renewable
2 generation used to meet the requirements of subdivision (2) of this subsection
3 (a) shall ~~also~~ not count toward the requirements of this subdivision (1).
4 ~~However, an~~ New renewable energy used to meet the requirements of
5 subdivision (3) of this subsection (a) shall not count towards the requirements
6 of this subdivision (1). An energy transformation project under subdivision
7 ~~(3)~~(4) of this subsection shall not count toward the requirements of this
8 subdivision (1).

9 (D) Use of new renewable energy to satisfy this subdivision (1).
10 Retail electricity providers shall be permitted to use new renewable energy in
11 lieu of existing renewable energy to satisfy all or part of the requirements of
12 this subdivision (1), provided that the new renewable energy used for that
13 purpose is not also used to meet the requirements of subdivisions (2) or (3) of
14 this subsection (a).

15 ~~(D)~~(E) Municipal providers; petition. On petition by a provider that
16 is a municipal electric utility serving not more than 6,000 customers, the
17 Commission may reduce the provider's required amount under this subdivision
18 (1) for a period of up to three years. The Commission may approve one such
19 period only for a municipal provider. The Commission may reduce this
20 required amount if it finds that:

21 * * *

1 (2) Distributed renewable generation.

2 * * *

3 (B) Definition. As used in this section, “distributed renewable
4 generation” means one of the following:

5 (i) a renewable energy plant that is new renewable energy; has a
6 plant capacity of five MW or less; and

7 (I) is directly connected to the subtransmission or distribution
8 system of a Vermont retail electricity provider; or

9 (II) is directly connected to the transmission system of an
10 electric company required to submit a Transmission System Plan under
11 subsection 218c(d) of this title, if the plant is part of a plan approved by the
12 Commission to avoid or defer a transmission system improvement needed to
13 address a transmission system reliability deficiency identified and analyzed in
14 that Plan; ~~or~~

15 (ii) a net metering system approved under the former section 219a
16 or under section 8010 of this title if the system is new renewable energy and
17 the interconnecting retail electricity provider owns and retires the system’s
18 environmental attributes; or

19 (iii) a hydroelectric renewable energy plant that has a plant
20 capacity of five MW or less and is owned and operated by a retail electricity

1 provider that is a municipal electric utility as of January 1, 2020, including any
2 future modifications.

3 (C) Required amounts. The required amounts of distributed
4 renewable generation shall be one percent of each retail electricity provider's
5 annual ~~retail electric sales~~ purchases during the year beginning on January 1,
6 2017, increasing by an additional three-fifths of a percent each subsequent
7 January 1 until reaching ~~40~~ not less than 5.8 percent on and after January 1,
8 ~~2032~~ 2025, increasing by not less than an additional 2.84 percent each
9 subsequent January 1 until reaching not less than 20 percent on and after
10 January 1, 2030, and increasing by not less than an additional two percent each
11 subsequent January 1 until reaching not less than 30 percent on or after January
12 1, 2035. If additional distributed renewable generation is needed to achieve the
13 General Assembly's intent of meeting the greenhouse gas emission reduction
14 requirements of 10 V.S.A. § 578(a), as required by section 202a of this title,
15 the Commission shall facilitate development of such generation.

16 * * *

17 (E) Relationship to other categories. New renewable energy used to
18 meet the requirements of subdivision (3) of this subsection (a) shall not count
19 towards the requirements of this subdivision (2). An energy transformation
20 project under subdivision (4) of this subsection (a) shall not count toward the
21 requirements of this subdivision (2).

1 (3) New renewable energy.

2 (A) Purpose; establishment. This subdivision (3) establishes a new
3 renewable energy category for the RES. This category encourages the use of
4 new renewable generation to support the reliability of the regional ISO-NE
5 electric system, to diversify the size and type of resources connected to that
6 system, and to realize the greenhouse gas reduction benefits that additional
7 renewable energy generation plants being constructed result in. This category
8 requires the use of renewable energy for these purposes to reduce
9 environmental and health impacts from air emissions that would result from
10 using other forms of generation.

11 (B) Required amounts. The amount of new renewable energy
12 required by this subsection (a) shall be one percent of each retail electricity
13 provider's annual retail electric purchases during the year beginning on
14 January 1, 2025, increasing by an additional 2.9 percent each January 1
15 thereafter, until reaching 30 percent on and after January 1, 2035.

16 (C) Relationship to other categories. Distributed renewable
17 generation used to meet the requirements of subdivision (2) of this subsection
18 (a) shall not also count toward the requirements of this subdivision (3).
19 Distributed renewable generation not used to meet the requirements of
20 subdivision (2) of this subsection (a) may be used to meet the requirements of
21 this subdivision (3), provided that it would otherwise qualify under this

1 subdivision (3). An energy transformation project under subdivision (4) of this
2 subsection (a) shall not count toward the requirements of this subdivision (3).

3 ~~(3)~~(4) Energy transformation.

4 * * *

5 (B) Required amounts. For the energy transformation category, the
6 required amounts shall be two percent of each retail electricity provider's
7 annual retail electric sales during the year beginning on January 1, 2017,
8 increasing by an additional two-thirds of a percent each subsequent January 1
9 until reaching 12 percent on and after January 1, 2032. However, in the case
10 of a provider that is a municipal electric utility serving not more than 6,000
11 customers, the required amount shall be two percent of the provider's annual
12 ~~retail sales~~ energy purchases beginning on January 1, ~~2019~~ 2025, increasing by
13 an additional two-thirds of a percent each subsequent January 1 until reaching
14 10 and two-thirds percent on and after January 1, 2032. Prior to January 1,
15 2019, such a municipal electric utility voluntarily may engage in one or more
16 energy transformation projects in accordance with this subdivision ~~(3)~~(4).

17 * * *

18 (E) Other sources.

19 (i) A retail electricity provider or a provider's partner may oversee
20 an energy transformation project under this subdivision ~~(3)~~(4). However, the
21 provider shall deliver the project's goods or services in partnership with

1 persons other than the provider unless exclusive delivery through the provider
2 is more cost-effective than delivery by another person or there is no person
3 other than the provider with the expertise or capability to deliver the goods or
4 services.

5 (ii) An energy transformation project may provide incremental
6 support to a program authorized under Vermont statute that meets the
7 eligibility criteria of this subdivision ~~(3)~~(4) but may take credit only for the
8 additional amount of service supported and shall not take credit for that
9 program's regularly budgeted or approved investments.

10 (iii) To meet the requirements of this subdivision ~~(3)~~(4), one or
11 more retail electricity providers may jointly propose with an energy efficiency
12 entity appointed under subdivision 209(d)(2) of this title an energy
13 transformation project or group of such projects. The proposal shall include
14 standards of measuring performance and methods to allocate savings and
15 reductions in fossil fuel consumption and greenhouse gas emissions among
16 each participating provider and efficiency entity.

17 (F) Implementation. To carry out this subdivision ~~(3)~~(4), the
18 Commission shall adopt rules:

19 (i) For the conversion methodology in accordance with
20 subdivision ~~(3)~~(D) of this ~~subsection (a)~~ subdivision (a)(4).

1 (ii) To provide a process for prior approval of energy
2 transformation projects by the Commission or its designee. This process shall
3 ensure that each of these projects meets the requirements of this subdivision
4 ~~(3)~~(4) and need not consist of individual review of each energy transformation
5 project prior to implementation ~~as long as~~, provided the mechanism ensures
6 those requirements are met. An energy transformation project that commenced
7 prior to initial adoption of rules under this subdivision (F) may seek approval
8 after such adoption.

9 (iii) For cost-effectiveness screening of energy transformation
10 projects. This screening shall be consistent with the provisions of this
11 subdivision ~~(3)~~(4) and, as applicable, the screening tests developed under
12 subsections 209(d) (energy efficiency) and 218c(a) (least-cost integrated
13 planning) of this title.

14 (iv) To allow a provider who has met its required amount under
15 this subdivision ~~(3)~~(4) in a given year to apply excess net reduction in fossil
16 fuel consumption, expressed as a MWH equivalent, from its energy
17 transformation project or projects during that year toward the provider's
18 required amount in a future year.

19 (v) To ensure periodic evaluation of an energy transformation
20 project's claimed fossil fuel reductions, avoided greenhouse gas emissions,
21 conversion to MWH equivalent, cost-effectiveness and, if applicable, energy

1 savings, and to ensure annual verification and auditing of a provider's claims
2 regarding project completion and resulting MWH equivalent. Changes to
3 project claims resulting from periodic evaluations shall not reduce retroactively
4 claims made on behalf of a project approved under subdivision ~~(3)(F)(ii)~~
5 (4)(F)(ii) of this subsection (a) or reduce verified claims carried forward under
6 subdivision ~~(3)(F)(iv)~~ (4)(F)(iv) of this subsection (a).

7 * * *

8 (G) Petitions. On petition of a retail electricity provider in any given
9 year, the Commission may:

10 (i) reduce the provider's required amount under this subdivision
11 ~~(3)(4)~~ for that year, without penalty or alternative compliance payment, if the
12 Commission finds that compliance with the required amount for that year will:

13 (I) cause the provider to increase significantly its retail rates; or
14 (II) materially impair the provider's ability to meet the public's
15 need for energy services after safety concerns are addressed, in the manner set
16 forth in subdivision 218c(a)(1) (least-cost integrated planning) of this title; or

17 (ii) allow a provider who failed to achieve the required amount
18 under this subdivision ~~(3)(4)~~ during the preceding year to avoid paying the
19 alternative compliance payment if the Commission:

20 * * *

21 (b) Reduced amounts; providers; 100 percent renewable.

1 (1) The provisions of this subsection shall apply to a retail electricity
2 provider that:

3 (A) as of January 1, 2015, was entitled, through contract, ownership
4 of energy produced by its own generation plants, or both, to an amount of
5 renewable energy equal to or more than 100 percent of its anticipated total
6 retail electric sales in 2017, regardless of whether the provider owned the
7 environmental attributes of that renewable energy; and

8 (B) annually each July 1 commencing in 2018, owns and has retired
9 tradeable renewable energy credits monitored and traded on the New England
10 Generation Information System or otherwise approved by the Commission
11 equivalent to 100 percent of the provider's total ~~retail sales~~ purchases of
12 electricity for the previous calendar year.

13 * * *

14 (e) Community energy systems. The Commission shall adopt rules that
15 guide and support the development of community energy systems, including:

16 (1) Ensuring the simplest and most predictable possible pathway for
17 review, permitting, and administration of community energy systems.

18 (2) Adaptability for a variety of ownership modes, including ownership
19 by a business, a nonprofit organization, a municipality, or an aggregation entity
20 serving multiple systems.

21 (3) Ensuring the opportunity for any electricity user to participate.

1 (4) Establishing a system of pricing within net-metering and standard
2 offer, or other procurement guidelines, with the least amount of cost-shifting
3 with other utility customers that still ensures practical implementation of
4 projects in support of the greenhouse gas reduction requirements under 10
5 V.S.A. § 578(a) and the RES goals. This shall include consideration of the
6 impact of other incentives such as tax benefits and shall be updated on a
7 regular basis.

8 (5) Providing additional incentives for customers with low income and
9 customers with moderate income sufficient to make participation by those
10 customers viable. This may include cost sharing at a higher level among the
11 full ratepayer community.

12 (6) Development of a management entity that will provide ongoing
13 administrative services and support that any community energy system may
14 use, including during the planning and development phase, enrolling users, and
15 maintaining the administrative functions through the life of the system. This
16 entity will work closely with electric utilities to ensure administrative systems
17 align and function effectively and efficiently.

18 Sec. 6. 30 V.S.A. § 8006 is amended to read:

19 § 8006. TRADEABLE CREDITS; ENVIRONMENTAL ATTRIBUTES;

20 RECOGNITION, MONITORING, AND DISCLOSURE

21 * * *

1 (b) The Commission shall require retail electricity providers to track and
2 report not less than annually the amounts of energy, including renewable
3 energy and nonrenewable energy, tradeable renewable energy credits, and
4 attributes from existing contracts that do not qualify as tradeable renewable
5 energy credits, that are included in each provider's portfolio from renewable
6 and nonrenewable energy sources, existing and new renewable energy, and
7 tradeable renewable energy credits.

8 ~~(b)~~(c) The Commission shall ensure that all electricity provider and
9 provider-affiliate disclosures and representations made with regard to a
10 provider's portfolio are accurate, transparent, detailed, and reasonably
11 supported by objective data. Further, the Commission shall ensure that
12 providers disclose the types of generation used and shall clearly distinguish
13 between energy ~~or~~ tradeable energy credits provided from, and environmental
14 attributes and between renewable and nonrenewable energy sources and
15 existing and new renewable energy.

16 (d) No new wood biomass electricity generation facility or wood biomass
17 combined heat and power facility coming into service after January 1, 2023
18 shall be eligible to satisfy the requirements of sections 8004 and 8005 of this
19 title unless that facility achieves 60 percent overall energy efficiency and at
20 least a 50 percent net lifecycle greenhouse gas emissions reduction over
21 20 years relative to the lifecycle emissions from the combined operation of a

1 new combined-cycle natural gas plant using the most efficient commercially
2 available technology. Existing wood biomass electric generation facilities
3 placed in service prior to January 1, 2023 remain eligible to satisfy the
4 requirements of sections 8004 and 8005 of this title. Changes to existing wood
5 biomass electric facilities that were placed in service prior to January 1, 2023,
6 including converting to a combined heat and power facility, adding or
7 modifying a district energy system, replacing electric generation equipment, or
8 repowering the facility with updated electric generation technologies, do not
9 change the in-service date for the facility or affect its eligibility to satisfy the
10 requirements of sections 8004 and 8005 of this title.

11 Sec. 7. 30 V.S.A. § 8012 is added to read:

12 § 8012. ENVIRONMENTAL JUSTICE ADVISORY COUNCIL

13 Not less than twice annually, the Commission shall consult with and be
14 advised by the Environmental Justice Advisory Council and the Interagency
15 Environmental Justice Committee established under 3 V.S.A. § 6006, through
16 meetings held in a public format in a structure determined by these entities,
17 regarding implementing and administering this chapter in a manner consistent
18 with 3 V.S.A. chapter 72 and with the findings in 2022 Acts and Resolves No.
19 154, Sec. 1, an act relating to environmental justice in Vermont. Should
20 additional funds be required to provide adequate and just compensation to
21 Environmental Justice Advisory Council members for services done pursuant

1 to this section, those funds may be drawn from proceeds currently raised under
2 section 22 of this title.

3 Sec. 8. 30 V.S.A. § 8013 is added to read:

4 § 8013. STATE ENERGY PROCUREMENT PROGRAMS

5 (a) Establishment. The Commission shall establish, by rule or order, State
6 energy procurement programs as required by this section.

7 (b) Reverse auction. The Commission shall establish a reverse auction
8 program for renewable energy plants with up to 5 MW of capacity. Beginning
9 on January 1, 2025, this program shall account for no less than 30 percent and
10 no more than 40 percent of all new energy plant procurement.

11 (c) Tariff program. The Commission shall establish a tariff program for
12 renewable energy plants with up to 1.5 MW of capacity. Beginning on January
13 1, 2025, this program shall account for no less than 20 percent and no more
14 than 30 percent of all new energy plant procurement.

15 (d) Net metering. The Commission shall establish a net metering program
16 for renewable energy plants with up to 500 kW of capacity. Beginning on
17 January 1, 2025, this program shall account for no less than 20 percent and no
18 more than 30 percent of all new energy plant procurement.

19 Sec. 9. 30 V.S.A. § 248 is amended to read:

20 § 248. NEW GAS AND ELECTRIC PURCHASES, INVESTMENTS, AND
21 FACILITIES; CERTIFICATE OF PUBLIC GOOD

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(b) Before the Public Utility Commission issues a certificate of public good as required under subsection (a) of this section, it shall find that the purchase, investment, or construction:

* * *

(5) With respect to an in-state facility, will not have an undue adverse effect on aesthetics, historic sites, air and water purity, the natural environment, the use of natural resources, and the public health and safety, with due consideration having been given to the criteria specified in 10 V.S.A. §§ 1424a(d) and 6086(a)(1) through (8) and (9)(K), impacts to primary agricultural soils as defined in 10 V.S.A. § 6001, and greenhouse gas impacts.

(A) Aesthetics. As applied to a plant as defined in section 8002 of this title, the burden of proof to show by clear and convincing evidence that a proposed facility is unduly adverse shall be on any party opposing the proposed plant.

(B) Scenic designation. Before the Commission may determine that a proposed plant as defined in section 8002 of this title would be adverse under the first part of the Quechee test, any party opposing the application shall demonstrate by clear and convincing evidence that the facility would be located on or affect a specific parcel that the municipality or regional planning commission has designated as a scenic resource in a duly adopted regional or

1 municipal plan. No such designation shall be valid unless the party opposing
2 the application can show that the municipality or regional planning
3 commission first provided individualized notice and an opportunity to be heard
4 to the parcel's owners. Any landowner whose parcel is so designated shall
5 have a right to appeal the designation to the Environmental Division of the
6 Superior Court.

7 (C) Plantings. As applied to renewable energy plants that propose to
8 mitigate adverse effects through the use of vegetative plantings, the
9 Commission shall base its findings and conclusions on the effects of the
10 proposed facility after such plantings have reached maturity, disregarding any
11 temporary adverse effects occurring while mitigation plantings mature.

12 (D) Public good. The Commission shall weigh the aesthetic impacts
13 of any renewable energy facility against the public good that the project
14 provides. For purposes of this subsection, "public good" includes a project's
15 contribution to meeting the greenhouse gas emission reduction requirements of
16 10 V.S.A. § 578(a) in a cost-effective manner, the goals set forth in section
17 8001 of this title, and the renewable energy deployment requirements of
18 section 8005 of this title, whether the reductions are realized in Vermont or
19 another jurisdiction.

20 (E) Municipal ownership. A plant that is owned by a municipality
21 shall not be reviewed under the aesthetics criterion of this section if the plant

1 has been approved by the municipal legislative body for each town and city in
2 which the proposed facility will be located.

3 * * *

4 Sec. 10. EFFECTIVE DATE

5 This act shall take effect on July 1, 2023.