

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21

S.305

* * * Baseload Power * * *

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

§ 8009. BASELOAD RENEWABLE POWER PORTFOLIO
REQUIREMENT

* * *

(d) On or before November 1, ~~2026~~ 2027, the Commission shall determine, for the period beginning on November 1, ~~2026~~ 2027 and ending on November 1, 2032, the price to be paid to a plant used to satisfy the baseload renewable power portfolio requirement. The Commission shall not be required to make this determination as a contested case under 3 V.S.A. chapter 25. The price shall be the avoided cost of the Vermont composite electric utility system. As used in this subsection, the term “avoided cost” means the incremental cost to retail electricity providers of electric energy or capacity, or both, which, but for the purchase from the plant proposed to satisfy the baseload renewable power portfolio requirement, such providers would obtain from a source using the same generation technology as the proposed plant. For the purposes of this subsection, the term “avoided cost” also includes the Commission’s consideration of each of the following:

* * *

(k) Collocation and efficiency requirements.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20

* * *

(3) On or before October 1, ~~2024~~ 2025, the owner of the plant shall submit to the Commission and the Department a certification that the main components of the facility used to meet the requirement of subdivision (1) of this subsection ~~(k)~~ have been manufactured and that the construction plans for the facility have been completed.

(4) If the contract and certification required under subdivision (2) of this subsection are not submitted to the Commission and Department on or before July 1, 2023 or if the certification required under subdivision (3) is not submitted to the Commission and Department on or before October 1, ~~2024~~ 2025, then the obligation under this section for each Vermont retail electricity provider to purchase a pro rata share of the baseload renewable power portfolio requirement shall cease on November 1, ~~2024~~ 2025, and the Commission is not required to conduct the rate determination provided for in subsection (d) of this section.

(5) On or before September 1, ~~2025~~ 2026, the Department shall investigate and submit a recommendation to the Commission on whether the plant has achieved the requirement of subdivision (1) of this subsection. If the Department recommends that the plant has not achieved the requirement of subdivision (1) of this subsection, the obligation under this section shall cease

1 on November 1, ~~2025~~ 2026, and the Commission is not required to conduct the
2 rate determination provided for in subsection (d) of this section.

3 (6) After November 1, ~~2026~~ 2027, the owner of the plant shall report
4 annually to the Department and the Department shall verify the overall
5 efficiency of the plant for the prior 12-month period. If the overall efficiency
6 of the plant falls below the requirement of subdivision (1) of this subsection,
7 the report shall include a plan to return the plant to the required efficiency
8 within one year.

9 (7) If, after implementing the plan in subdivision (6) of this subsection,
10 the owner of the plant does not achieve the efficiency required in subdivision
11 (1) of this subsection, the Department shall request that the Commission
12 commence a proceeding to terminate the obligation under this section.

13 (8) The Department may retain research, scientific, or engineering
14 services to assist it in making the recommendation required under subdivision
15 (5) of this subsection and in reviewing the information required under
16 subdivision (6) of this subsection and may allocate the expense incurred or
17 authorized by it to the plant's owner.

18 * * *

19 Sec. XX. BIOMASS SUPPLIERS AND CONSTRUCTION

20 (a) The owner of the plant used to satisfy the baseload renewable power
21 portfolio requirement under 30 V.S.A. § 8009 shall offer to enter into written

1 contracts with each of its biomass suppliers establishing customary commercial
2 terms, including payment timelines, supply volume, and term length.

3 (b) For biomass suppliers that are not a party to a supply contract with the
4 plant owner as of April 1, 2024, the plant owner shall offer to provide supply
5 contracts to ensure payment to such suppliers for biomass deliveries within
6 seven business days of the invoice date.

7 (c) The plant owner shall ensure that the payments made to each biomass
8 supplier are timely, accurate, and valid. In the event any payment is not timely
9 made under the terms of a supplier contract, the plant owner shall pay a late
10 payment penalty to the supplier equal to five percent per week.

11 (d) The plant owner shall hire an independent certified public accountant to
12 review the timeliness of the plant owner's payments to its suppliers and to
13 prepare a quarterly report detailing its findings. The quarterly report shall also
14 include a status report on the design and construction of the facility proposed
15 to meet the requirements of 30 V.S.A. § 8009(k). Each quarterly report shall
16 be verified under the penalty of perjury and provided to the General Assembly
17 and the Department of Public Service.

18 (e) The requirements of this section shall apply until the Commission
19 establishes the new avoided cost paid to the plant in accordance with 30 V.S.A.
20 § 8009(d), after which point the obligations under this section shall cease.