1	TO THE HOUSE OF REPRESENTATIVES:
2	The Committee on Environment and Energy to which was referred Senate
3	Bill No. 305 entitled "An act relating to miscellaneous changes to the Public
4	Utility Commission" respectfully reports that it has considered the same and
5	recommends that the House propose to the Senate that the bill be amended the
6	bill be amended by striking out all after the enacting clause and inserting in
7	lieu thereof the following:
8	Sec. 1. 3 V.S.A. § 165(b) is amended to read:
9	(b) Public contract advocates shall be appointed or retained for such time as
10	may be required to monitor, represent the public interest, and report on any
11	contract for basic telecommunications service under 30 V.S.A. § 226a.
12	Compensation, expenses, and support of public contract advocates shall be
13	assessed as costs to the Department of Public Service and paid from the
14	revenues received from the tax to finance the Department and the Board Public
15	Utility Commission levied under 30 V.S.A. § 22.
16	Sec. 2. 30 V.S.A. § 8(d) is amended to read:
17	(d) At least 12 days prior to Written notice of a hearing before the
18	Commission a Commissioner or a hearing officer, the Commission shall give
19	written notice of the time and place of the hearing to all parties to the case and
20	shall indicate the name and title of the person designated to conduct the
21	hearing shall be given in accordance with 30 V.S.A. § 10.

1	Sec. 3. 30 V.S.A. § 10(c) is amended to read:
2	(c) A scheduling or procedural conference As used in this section, the term
3	"hearings" refers to public hearings and evidentiary hearings. All other
4	proceedings before the Commission may be held upon any reasonable notice.
5	Sec. 4. 30 V.S.A. § 102(a) is amended to read:
6	(a) Before the articles of incorporation are transmitted to the Secretary of
7	State, the incorporators shall petition the Public Utility Commission to
8	determine whether the establishment and maintenance of the corporation will
9	promote the general good of the State and shall at that time file a copy of any
10	petition with the Department. The Department, within 12 days, shall review
11	the petition and file a recommendation regarding the petition in the same
12	manner as is set forth in subsection 225(b) of this title. The recommendation
13	shall set forth reasons why the petition shall be accepted without hearing or
14	shall request that a hearing on the petition be scheduled. If the Department
15	requests a hearing on the petition, or, if the Commission deems a hearing
16	necessary, it shall appoint a time and place either remotely accessible or in the
17	county where the proposed corporation is to have its principal office for
18	hearing the petition. At least 12 days before this hearing, notice Notice of the
19	hearing shall be given in accordance with section 10 of this title and shall be
20	published on the Commission's website and once in a newspaper of general
21	circulation in the county in which the proposed corporation is to have its

VT LEG #376040 v.2

1	principal office. The website notice shall be maintained through the date of the
2	hearing. The newspaper notice shall include an Internet internet address where
3	more information regarding the petition may be viewed. The Department of
4	Public Service, through the Director for Public Advocacy, shall represent the
5	public at the hearing.
6	Sec. 5. 30 V.S.A. § 231(a) is amended to read:
7	(a) A person, partnership, unincorporated association, or previously
8	incorporated association that desires to own or operate a business over which
9	the Public Utility Commission has jurisdiction under the provisions of this
10	chapter shall first petition the Commission to determine whether the operation
11	of such business will promote the general good of the State, and shall at that
12	time file a copy of any such petition with the Department. The Department,
13	within 12 days, shall review the petition and file a recommendation regarding
14	the petition in the same manner as is set forth in subsection 225(b) of this title.
15	Such recommendation shall set forth reasons why the petition shall be accepted
16	without hearing or shall request that a hearing on the petition be scheduled. If
17	the Department requests a hearing on the petition, or, if the Commission deems
18	a hearing necessary, it shall appoint a time and place in the county where the
19	proposed corporation is to have its principal office for hearing the petition. At
20	least 12 days before this hearing, notice Notice of the hearing shall be given in
21	accordance with section 10 of this title and shall be published on the

1	Commission's website and once in a newspaper of general circulation in the
2	county in which the hearing will occur. The website notice shall be maintained
3	through the date of the hearing. The newspaper notice shall include an Internet
4	internet address where more information regarding the petition may be viewed.
5	The Director for Public Advocacy shall represent the public at the hearing. If
6	the Commission finds that the operation of such business will promote the
7	general good of the State, it shall give such person, partnership, unincorporated
8	association, or previously incorporated association a certificate of public good
9	specifying the business and territory to be served by such petitioners. For good
10	cause, after opportunity for hearing, the Commission may amend or revoke any
11	certificate awarded under the provisions of this section. If any such certificate
12	is revoked, the person, partnership, unincorporated association, or previously
13	incorporated association shall no longer have authority to conduct any business
14	which that is subject to the jurisdiction of the Commission whether or not
15	regulation thereunder has been reduced or suspended, under section 226a or
16	227a of this title.
17	Sec. 6. 30 V.S.A. § 248(u) is amended to read:
18	(u) For an energy storage facility, a \underline{A} certificate under this section shall
19	only be required for a stationary facility exporting to the grid an energy storage
20	facility that has a capacity of 100 kW or greater, unless the Commission

21 establishes a larger threshold by rule. The Commission shall establish a

VT LEG #376040 v.2

1	simplified application process for energy storage facilities subject to this
2	section with a capacity of up to 1 MW, unless it establishes a larger threshold
3	by rule. For facilities eligible for this simplified application process, a
4	certificate of public good will be issued by the Commission by the forty-sixth
5	46th day following filing of a complete application, unless a substantive
6	objection is timely filed with the Commission or the Commission itself raises
7	an issue. The Commission may require facilities eligible for the simplified
8	application process to include a letter from the interconnecting utility
9	indicating the absence or resolution of interconnection issues as part of the
10	application.
11	* * * Energy Efficiency Modernization Act * * *
12	Sec. 7. 2020 Acts and Resolves No. 151, Sec. 1, as amended by 2023 Acts and
13	Resolves No. 44, Sec. 1, is further amended to read:
14	Sec. 1. ALLOWANCE OF THE USE OF ENERGY EFFICIENCY
15	CHARGE FUNDS FOR GREENHOUSE GAS EMISSIONS
16	REDUCTION PROGRAMS
17	(a) The electric resource acquisition budget for an entity appointed to
18	provide electric energy efficiency and conservation programs and measures
19	pursuant to 30 V.S.A. § 209(d)(2)(A) for the calendar years 2021–2026 shall
20	be determined pursuant to 30 V.S.A. § 209(d)(3)(B). This section shall apply
21	only if the entity's total electric resource acquisition budget for 2024–2026

1	does not exceed the entity's total electric resource acquisition budget for 2021-
2	2023, adjusted for cumulative inflation between January 1, 2021, and July 1,
3	2023, using the national consumer price index. An entity may include
4	proposals for activities allowed under this pilot in its 2027–2029 demand
5	resource plan filing, but these activities shall only be implemented if this
6	section is extended to cover that timeframe time frame.
7	(b) Notwithstanding any provision of law or order of the Public Utility
8	Commission (PUC) to the contrary, the PUC shall authorize an entity pursuant
9	to subsection (a) of this section to appointed under 30 V.S.A. § 209(d)(2)(A)
10	<u>may</u> spend <u>a portion of its</u> electric resource acquisition budget, in an amount $\frac{1}{100}$
11	be determined by the PUC but not to exceed \$2,000,000.00 per year, on
12	programs, measures, and services that reduce greenhouse gas emissions in the
13	thermal energy or transportation sectors. An entity appointed under 30 V.S.A.
14	<u>§ 209(d)(2)(A) that has a three-year electric resource acquisition budget of less</u>
15	than \$8,000,000.00 may spend up to \$800,000.00 of its resource acquisition
16	budget, and any additional amounts the entity has available to it through
17	annually-budgeted thermal energy and process fuel funds and carry-forward
18	thermal energy and process fuel funds from prior periods, on programs,
19	measures, and services that reduce greenhouse gas emissions in the thermal
20	energy or transportation sector. Programs measures, and services authorized
21	pursuant to subsection (a) of this section shall An entity spending a portion of

1	its electric resource acquisition budget as outlined in this section shall submit
2	notice of the amount of the annual electric resource acquisition budget to be
3	spent pursuant to this subsection to the PUC, the Department of Public Service,
4	the electric distribution utilities, and the Vermont Public Power Supply
5	Authority with a sworn statement attesting that the programs, measures, or
6	services comply with the following criteria:
7	(1) Reduce greenhouse gas emissions in the thermal energy or
8	transportation sectors, or both.
9	(2) Have a nexus with electricity usage.
10	(3) Be additive and complementary to and shall not replace or be in
11	competition with electric utility energy transformation projects pursuant to
12	30 V.S.A. § 8005(a)(3) and existing thermal efficiency programs operated by
13	an entity appointed under 30 V.S.A. § 209(d)(2)(A) such that they result in the
14	largest possible greenhouse gas emissions reductions in a cost-effective
15	manner.
16	(4) Be proposed after the entity consults with any relevant State agency
17	or department and shall not be duplicative or in competition with programs
18	delivered by that agency or department.
19	(5) Be delivered on a statewide basis. However, this shall not preclude
20	the delivery of services specific to a retail electricity provider. Should such
21	services be offered, all distribution utilities and Vermont Public Power Supply

1	Authority shall be provided the opportunity to participate, and those services
2	shall be designed and coordinated in partnership with each of them. For
3	programs and services that are not offered on a statewide basis, the proportion
4	of utility-specific program funds used for services to any distribution utility
5	shall be $\frac{not}{not}$ less than the proportionate share of the energy efficiency
6	charge, which in the case of Vermont Public Power Supply Authority, is the
7	amount collected across their combined member utility territories during the
8	period this section remains in effect.
9	(c) An entity that is approved to provide provides a program, measure, or
10	service pursuant to this section shall provide the program, measure, or service
11	in cooperation with a retail electricity provider.
12	(1) The entity shall not claim any savings and reductions in fossil fuel
13	consumption and in greenhouse gas emissions by the customers of the retail
14	electricity provider resulting from the program, measure, or service if the
15	provider elects to offer the program, measure, or service pursuant to 30 V.S.A.
16	§ 8005(a)(3) unless the entity and provider agree upon how savings and
17	reductions should be accounted for, apportioned, and claimed.
18	(2) The PUC shall develop standards and methods to appropriately
19	measure the effectiveness of the programs, measures, and services in relation
20	to the entity's Demand Resources Plan proceeding.

1	(d) Any funds spent on programs, measures, and services pursuant to this
2	section shall not be counted towards the calculation of funds used by a retail
3	electricity provider for energy transformation projects pursuant to 30 V.S.A.
4	§ 8005(a)(3) and the calculation of project costs pursuant to 30 V.S.A.
5	§ 8005(a)(3)(C)(iv).
6	(e) On or before April 30, 2021 and every April 30 for six years thereafter,
7	the PUC shall submit a written report to the House Committee on Environment
8	and Energy and the Senate Committees on Natural Resources and Energy and
9	on Finance concerning any programs, measures, and services approved
10	pursuant to this section.
11	(f) Thermal energy and process fuel efficiency funding. Notwithstanding
12	30 V.S.A. § 209(e), a retail electricity provider that is also an entity appointed
13	under 30 V.S.A. § 209(d)(2)(A), may during the years of 2024–2026, use
14	monies subject to 30 V.S.A. § 209(e) to deliver thermal and transportation
15	measures or programs that reduce fossil fuel use regardless of the preexisting
16	fuel source of the customer, including measures or programs permissible under
17	this pilot program, with special emphasis on measures or programs that take a
18	new or innovative approach to reducing fossil fuel use, including modifying or
19	supplementing existing vehicle incentive programs and electric vehicle supply
20	equipment grant programs to incentivize high-consumption fuel users,
21	especially individuals using more than 1000 gallons of gasoline or diesel

1	annually and those with low and moderate income, to transition to the use of
2	battery electric vehicles.
3	* * * Clean Heat Standard * * *
4	Sec. 8. 30 V.S.A. § 8124 is amended to read:
5	§ 8124. CLEAN HEAT STANDARD COMPLIANCE
6	* * *
7	(b) Annual registration.
8	(1) Each entity that sells heating fuel into or in Vermont shall register
9	annually with the Commission by an annual deadline established by the
10	Commission. The first registration deadline is January 31, 2024, and the
11	annual deadline shall remain January 31 of each year unless a different
12	deadline is established by the Commission be June 30 of each year after. The
13	form and information required in the registration shall be determined by the
14	Commission and shall include all data necessary to establish annual
15	requirements under this chapter. The Commission shall use the information
16	provided in the registration to determine whether the entity shall be considered
17	an obligated party and the amount of its annual requirement.
18	* * *
19	(4) The Commission shall maintain, and update annually, a list of
20	registered entities on its website that contains the required registration
21	information.

1	* * *
2	Sec. 9. 30 V.S.A. § 8125 is amended to read:
3	§ 8125. DEFAULT DELIVERY AGENT
4	* * *
5	(b) Appointment. The default delivery agent shall be one or more
6	statewide entities capable of providing a variety of clean heat measures. The
7	Commission shall designate the first default delivery agent on or before June 1,
8	$\frac{2024}{2024}$. The designation of an entity under this subsection may be by order of
9	appointment or contract. A designation, whether by order of appointment or
10	by contract, may only be issued after notice and opportunity for hearing. An
11	existing order of appointment issued by the Commission under section 209 of
12	this title may be amended to include the responsibilities of the default delivery
13	agent. An order of appointment shall be for a limited duration not to exceed 12
14	years, although an entity may be reappointed by order or contract. An order of
15	appointment may include any conditions and requirements that the
16	Commission deems appropriate to promote the public good. For good cause,
17	after notice and opportunity for hearing, the Commission may amend or revoke
18	an order of appointment.
19	* * *
20	(d) Use of default delivery agent.
21	* * *

1	(3) The Commission shall by rule or order establish a standard timeline
2	under which the default delivery agent credit cost or costs are established and
3	by which an obligated party must file its form. The default delivery agent's
4	schedule of costs shall include sufficient costs to deliver installed measures and
5	shall specify separately the costs to deliver measures to customers with low
6	income and customers with moderate income as required by subsection
7	8124(d) of this title. The Commission shall provide not less than $\frac{120}{90}$ days'
8	notice of default delivery agent credit cost or costs prior to the deadline for an
9	obligated party to file its election form so an obligated party can assess options
10	and inform the Commission of its intent to procure credits in whole or in part
11	as fulfillment of its requirement.
12	* * *
13	(e) Budget.
14	* * *
15	(B) the development of a three-year plan and associated proposed
16	budget by the default delivery agent to be informed by the final results of the
17	Department's potential study. The default delivery agent may propose a
18	portion of its budget towards promotion and market uplift, workforce
19	development, and trainings for clean heat measures. The Commission shall
20	approve the first three-year plan and associated budget by no later than
21	September 1, 2025; and

1	* * *
2	Sec. 10. 30 V.S.A. § 8126 is amended to read:
3	§ 8126. RULEMAKING
4	(a) The Commission shall adopt rules and may issue orders to implement
5	and enforce the Clean Heat Standard program.
6	* * *
7	(c) The Commission's rules may include a provision that allows the
8	Commission to revise its Clean Heat Standard rules by order of the
9	Commission without the revisions being subject to the rulemaking
10	requirements of the 3 V.S.A. chapter 25, provided the Commission:
11	(1) provides notice of any proposed changes;
12	(2) allows for a 30-day comment period;
13	(3) responds to all comments received on the proposed change;
14	(4) provides a notice of language assistance services on all public
15	outreach materials; and
16	(5) arranges for language assistance to be provided to members of the
17	public as requested using professional language services companies.
18	(d) Any order issued under this chapter subsection (c) of this section shall
19	be subject to appeal to the Vermont Supreme Court under section 12 of this
20	title, and the Commission must immediately file any orders, a redline, and
21	clean version of the revised rules with the Secretary of State, with notice

1	simultaneously provided to the House Committee on Environment and Energy
2	and the Senate Committees on Finance and on Natural Resources and Energy.
3	Sec. 11. 2023 Acts and Resolves No. 18, Sec. 6 is amended to read:
4	Sec. 6. PUBLIC UTILITY COMMISSION IMPLEMENTATION
5	* * *
6	(f) Final rules.
7	* * *
8	(5) The final proposed rules shall contain the first set of annual required
9	amounts for obligated parties as described in 30 V.S.A. $\$$ 8124(a)(1)(2). The
10	first set of annual required amounts shall only be adopted through the
11	rulemaking process established in this section, not through an order.
12	* * *
13	Sec. 12. 32 V.S.A. § 3102 is amended to read:
14	§ 3102. CONFIDENTIALITY OF TAX RECORDS
15	* * *
16	(d) The Commissioner shall disclose a return or return information:
17	* * *
18	(7) to the Joint Fiscal Office pursuant to subsection 10503(e) of this title
19	and subject to the conditions and limitations specified in that subsection; and
20	(8) to the Attorney General; the Data Clearinghouse established in the
21	October 2017 Non-Participating Manufacturer Adjustment Settlement

1	Agreement, which the State of Vermont joined in 2018; the National
2	Association of Attorneys General; and counsel for the parties to the Agreement
3	as required by the Agreement and to the extent necessary to comply with the
4	Agreement and only as long as the State is a party to the Agreement: and
5	(9) to the Public Utility Commission and the Department of Public
6	Service, provided the disclosure relates to the sale of heating fuel into or in the
7	State for compliance with the Clean Heat Standard established in 30 V.S.A.
8	chapter 94.
9	* * *
10	* * * Energy Storage Fees * * *
11	Sec. 13. 30 V.S.A. § 248c(d) is amended to read:
12	(d) Electric and natural gas facilities. This subsection sets fees for
13	applications under section 248 of this title.
14	(1) There shall be a registration fee of \$100.00 for each electric
15	generation facility less than or equal to 50 kW in plant capacity, or for a
16	rooftop project, or for a hydroelectric project filing a net metering registration,
17	or for an application filed under subsection 248(n) of this title, or for an energy
18	storage facility less than or equal to 1 MW in nameplate capacity that is
19	required to obtain a certificate of public good under section 248 of this title and
20	is proposed to be located inside an existing building and that would not require
21	any ground disturbance work or upgrades to the distribution system.

1	(2) There shall be a fee of \$25.00 for modifications for each electric
2	generation facility less than or equal to 50 kW in plant capacity, or for a
3	rooftop project, or for a hydroelectric project filing a net metering registration,
4	or for an application filed under subsection 248(n) of this title, or for an energy
5	storage facility less than or equal to 1 MW in nameplate capacity that is
6	required to obtain a certificate of public good under section 248 of this title and
7	is proposed to be located inside an existing building and that would not require
8	any ground disturbance work or upgrades to the distribution system.
9	(3) There shall be a fee for electric generation facilities <u>and energy</u>
10	storage facilities that are required to obtain a certificate of public good under
11	section 248 of this title and that do not qualify for the lower fees in
12	subdivisions (1) and (2) of this subsection, calculated as follows:
13	(A) \$5.00 per kW; and
14	(B) \$100.00 for modifications.
15	(4) For applications that include both a proposed electric generation
16	facility and a proposed energy storage facility, the fee shall be the larger of
17	either the fee for the electric generation facility or the energy storage facility as
18	set out in subdivisions (1) and (3) of this subsection.
19	(5) For applications that propose to add an energy storage facility to a
20	location that already has a certificate of public good for an electric generation

1	facility, the fee shall be that for a proposed new energy storage facility as set
2	out in subdivisions (1) and (3) of this subsection.
3	(6) For applications that propose to add an electric generation facility to
4	a location that already has a certificate of public good for an energy storage
5	facility, the fee shall be that for a proposed new electric generation facility as
6	set out in subdivisions (1) and (3) of this subsection.
7	* * * Energy Savings Account * * *
8	Sec. 14. 30 V.S.A. § 209 is amended to read:
9	§ 209. JURISDICTION; GENERAL SCOPE
10	* * *
11	(d) Energy efficiency.
12	* * *
13	(3) Energy efficiency charge; regulated fuels. In addition to its existing
14	authority, the Commission may establish by order or rule a volumetric charge
15	to customers for the support of energy efficiency programs that meet the
16	requirements of section 218c of this title, with due consideration to the State's
17	energy policy under section 202a of this title and to its energy and economic
18	policy interests under section 218e of this title to maintain and enhance the
19	State's economic vitality. The charge shall be known as the energy efficiency
20	charge, shall be shown separately on each customer's bill, and shall be paid to
21	a fund administrator appointed by the Commission and deposited into the

VT LEG #376040 v.2

1	Electric Efficiency Fund. When such a charge is shown, notice as to how to
2	obtain information about energy efficiency programs approved under this
3	section shall be provided in a manner directed by the Commission. This notice
4	shall include, at a minimum, a toll-free telephone number, and to the extent
5	feasible shall be on the customer's bill and near the energy efficiency charge.
6	* * *
7	(B) The charge established by the Commission pursuant to this
8	subdivision (3) shall be in an amount determined by the Commission by rule or
9	order that is consistent with the principles of least-cost integrated planning as
10	defined in section 218c of this title. As circumstances and programs evolve,
11	the amount of the charge shall be reviewed for unrealized energy efficiency
12	potential and shall be adjusted as necessary in order to realize all reasonably
13	available, cost-effective energy efficiency savings. In setting the amount of the
14	charge and its allocation, the Commission shall determine an appropriate
15	balance among the following objectives; provided, however, that particular
16	emphasis shall be accorded to the first four of these objectives: reducing the
17	size of future power purchases; reducing the generation of greenhouse gases;
18	limiting the need to upgrade the State's transmission and distribution
19	infrastructure; minimizing the costs of electricity; reducing Vermont's total
20	energy demand, consumption, and expenditures; providing efficiency and
21	conservation as a part of a comprehensive resource supply strategy; providing

1	the opportunity for all Vermonters to participate in efficiency and conservation
2	programs; and targeting efficiency and conservation efforts to locations,
3	markets, or customers where they may provide the greatest value.
4	(C) The Commission, by rule or order, shall establish a process by
5	which a customer who pays an average annual energy efficiency charge under
6	this subdivision (3) of at least \$5,000.00 may apply to the Commission to self-
7	administer energy efficiency through the use of an energy savings account or
8	customer credit programs which that shall contain a percentage of the
9	customer's energy efficiency charge payments as determined by the
10	Commission. The remaining portion of the charge shall be used for
11	administrative, measurement, verification, and evaluation costs and for
12	systemwide energy benefits. Customer energy efficiency funds may be
13	approved for use by the Commission for one or more of the following: electric
14	energy efficiency projects and non-electric efficiency projects, which may
15	include thermal and process fuel efficiency, flexible load management,
16	combined heat and power systems, demand management, energy productivity,
17	and energy storage. These funds shall not be used for the purchase or
18	installation of new equipment capable of combusting fossil fuels. The
19	Commission in its rules or order shall establish criteria for each program and
20	approval of these applications, establish application and enrollment periods,
21	establish participant requirements, and establish the methodology for

1	evaluation, measurement, and verification for programs. The total amount of
2	customer energy efficiency funds that can be placed into energy savings
3	accounts or the customer credit program annually is \$2,000,000.00 and
4	\$1,000,000.00 respectively.
5	(C)(D) The Commission may authorize the use of funds raised
6	through an energy efficiency charge on electric ratepayers to reduce the use of
7	fossil fuels for space heating by supporting electric technologies that may
8	increase electric consumption, such as air source or geothermal heat pumps if,
9	after investigation, it finds that deployment of the technology:
10	* * *
11	* * * Thermal Energy * * *
12	Sec. 15. 30 V.S.A. § 201 is amended to read:
13	§ 201. DEFINITIONS
14	As used in this chapter:
15	* * *
16	(7) "Thermal energy" means piped noncombustible fluids used for
17	transferring heat into and out of buildings for the purpose of avoiding,
18	eliminating, reducing any existing or new on-site greenhouse gas emissions of
19	all types of heating and cooling processes, including comfort heating and
20	cooling, domestic hot water, and refrigeration.

1	(8) "Thermal energy network" means all real estate, fixtures, and
2	personal property operated, owned, used, or to be used for or in connection
3	with or to facilitate distribution infrastructure project that supplies thermal
4	energy to more than one household, dwelling unit, or network of buildings that
5	are not commonly owned. This definition does not include a mutual benefit
6	enterprise, cooperative or common interest community that is owned by the
7	persons it serves and that provides thermal energy services only to its
8	members, a landlord providing thermal energy services only to its tenants
9	where the service is included in the lease agreement, or any entity that provides
10	thermal energy services only to itself.
11	* * * Baseload Power * * *
12	Sec. 16. 30 V.S.A. § 8009 is amended to read:
13	§ 8009. BASELOAD RENEWABLE POWER PORTFOLIO
14	REQUIREMENT
15	* * *
16	(d) On or before November 1, 2026 2027, the Commission shall determine,
17	for the period beginning on November 1, $\frac{2026}{2027}$ and ending on November
18	1, 2032, the price to be paid to a plant used to satisfy the baseload renewable
19	power portfolio requirement. The Commission shall not be required to make
20	this determination as a contested case under 3 V.S.A. chapter 25. The price
21	shall be the avoided cost of the Vermont composite electric utility system. As

1	used in this subsection, the term "avoided cost" means the incremental cost to
2	retail electricity providers of electric energy or capacity, or both, which, but for
3	the purchase from the plant proposed to satisfy the baseload renewable power
4	portfolio requirement, such providers would obtain from a source using the
5	same generation technology as the proposed plant. For the purposes of this
6	subsection, the term "avoided cost" also includes the Commission's
7	consideration of each of the following:
8	* * *
9	(k) Collocation and efficiency requirements.
10	* * *
11	(3) On or before October 1, $2024 2025$, the owner of the plant shall
12	submit to the Commission and the Department a certification that the main
13	components of the facility used to meet the requirement of subdivision (1) of
14	this subsection (k) have been manufactured and that the construction plans for
15	the facility have been completed.
16	(4) If the contract and certification required under subdivision (2) of this
17	subsection are not submitted to the Commission and Department on or before
18	July 1, 2023 or if the certification required under subdivision (3) is not
19	submitted to the Commission and Department on or before October 1, 2024
20	2025, then the obligation under this section for each Vermont retail electricity
21	provider to purchase a pro rata share of the baseload renewable power portfolio

1	requirement shall cease on November 1, 2024 2025, and the Commission is not
2	required to conduct the rate determination provided for in subsection (d) of this
3	section.
4	(5) On or before September 1, $\frac{2025}{2026}$, the Department shall
5	investigate and submit a recommendation to the Commission on whether the
6	plant has achieved the requirement of subdivision (1) of this subsection. If the
7	Department recommends that the plant has not achieved the requirement of
8	subdivision (1) of this subsection, the obligation under this section shall cease
9	on November 1, $\frac{2025}{2026}$, and the Commission is not required to conduct the
10	rate determination provided for in subsection (d) of this section.
11	(6) After November 1, $\frac{2026}{2027}$, the owner of the plant shall report
12	annually to the Department and the Department shall verify the overall
13	efficiency of the plant for the prior 12-month period. If the overall efficiency
14	of the plant falls below the requirement of subdivision (1) of this subsection,
15	the report shall include a plan to return the plant to the required efficiency
16	within one year.
17	(7) If, after implementing the plan in subdivision (6) of this subsection,
18	the owner of the plant does not achieve the efficiency required in subdivision
19	(1) of this subsection, the Department shall request that the Commission
20	commence a proceeding to terminate the obligation under this section.

1	(8) The Department may retain research, scientific, or engineering
2	services to assist it in making the recommendation required under subdivision
3	(5) of this subsection and in reviewing the information required under
4	subdivision (6) of this subsection and may allocate the expense incurred or
5	authorized by it to the plant's owner.
6	* * *
7	Sec. 17. BIOMASS SUPPLIERS AND CONSTRUCTION
8	(a) The owner of the plant used to satisfy the baseload renewable power
9	portfolio requirement under 30 V.S.A. § 8009 shall offer to enter into written
10	contracts with each of its biomass suppliers establishing customary commercial
11	terms, including payment timelines, supply volume, and term length.
12	(b) For biomass suppliers that are not a party to a supply contract with the
13	plant owner as of April 1, 2024, the plant owner shall offer to provide supply
14	contracts to ensure payment to such suppliers for biomass deliveries within
15	seven business days of the invoice date.
16	(c) The plant owner shall ensure that the payments made to each biomass
17	supplier are timely, accurate, and valid. In the event any payment is not timely
18	made under the terms of a supplier contract, the plant owner shall pay a late
19	payment penalty to the supplier equal to five percent per week.
20	(d) The plant owner shall hire an independent certified public accountant to
21	review the timeliness of the plant owner's payments to its suppliers and to

1	prepare a quarterly report detailing its findings. The quarterly report shall also		
2	include a status report on the design and construction of the facility proposed		
3	to meet the requirements of 30 V.S.A. § 8009(k). Each quarterly report shall		
4	be verified under the penalty of perjury and provided to the General Assembly		
5	and the Department of Public Service.		
6	(e) The requirements of this section shall apply until the Commission		
7	establishes the new avoided cost paid to the plant in accordance with 30 V.S.A.		
8	§ 8009(d), after which point the obligations under this section shall cease.		
9	* * * Dig Safe; Notice of Excavation Activities * * *		
10	Sec.18. 30 V.S.A. § 7004(c) is amended to read:		
11	(c) At least 48 72 hours, excluding Saturdays, Sundays, and legal holidays,		
12	but not more than 30 days before commencing excavation activities, each		
13	person required to give notice of excavation activities shall notify the System		
14	referred to in section 7002 of this title. Such notice shall set forth a reasonably		
15	accurate and readily identifiable description of the geographical location of the		
16	proposed excavation activities and the premarks.		
17	* * * Energy Cost Stabilization Study * * *		
18	Sec. 19. ENERGY COST STABILIZATION STUDY		
19	(a) The General Assembly finds:		

1	(1) Energy generation and consumption is in a state of transition,			
2	shifting towards beneficial, strategic electrification using efficiency,			
3	renewables, storage, and flexible demand management.			
4	(2) There is an increasing understanding of energy burden that is			
5	measured in terms of the percentage of household income that is spent on			
6	energy costs.			
7	(3) Total energy costs are a result of multiple expenditures such as			
8	electricity costs, transportation costs, and building heating and cooling costs.			
9	(4) As energy consumption shifts from fossil fuels to electricity,			
10	electricity costs may increase but total energy costs (including transportation			
11	and building heating and cooling costs) are expected to decrease.			
12	(5) There are various income-sensitive programs available to Vermont			
13	households that assist with energy costs.			
14	(b) The Public Utility Commission shall study current and potential future			
15	programs and initiatives focused on reducing or stabilizing energy costs for			
16	low- or moderate-income households and shall make a determination as to			
17	whether a statewide program to reduce energy burden is needed in Vermont.			
18	In conducting its analysis, the Commission shall take into consideration a			
19	comprehensive approach that recognizes electric costs might rise but that total			
20	energy costs are expected to decrease because of increased electrification,			
21	efficiency, storage, and demand response activities. The Commission shall			

1	submit a written report of its findings and recommendations to the General			
2	Assembly on or before December 1, 2025.			
3	(c) In conducting the study required by this section, the Commission shall			
4	seek input from interested stakeholders, including the Department of Public			
5	Service, the Agency of Human Services, the Agency of Transportation, the			
6	efficiency utilities, electric distribution utilities, residential customers, low-			
7	income program representatives, consumer-assistance program representatives,			
8	statewide environmental organizations, environmental justice entities, at least			
9	one low-income cost reduction program participant, at least one moderate-			
10	income cost reduction program participant, and any other stakeholders			
11	identified by the Commission.			
12	(d)(1) As part of its study, the Commission shall assess current programs			
13	within and outside Vermont designed to directly reduce or stabilize energy			
14	expenditures for low- or moderate-income households and shall seek to			
15	identify successful design elements of each. In particular, the Commission			
16	shall assess:			
17	(A) Vermont low-income electric energy cost reduction programs;			
18	(B) statewide energy cost reduction programs currently available			
19	outside Vermont; and			
20	(C) Vermont programs available to low- and moderate-income			
21	households that are designed to reduce transportation, thermal, or electric			

1	energy costs, including through investments in efficiency or electrification		
2	measures.		
3	(2) In assessing existing programs, the Commission shall take into		
4	consideration and develop findings regarding each program's:		
5	(A) funding model and funding source;		
6	(B) eligibility requirements;		
7	(C) process for making and monitoring eligibility determinations;		
8	(D) administrative structure;		
9	(E) efficacy in terms of eligibility, customer participation, funding,		
10	program offerings, and coordination with other programs, and where there		
11	might be opportunities for program improvement, particularly regarding		
12	administrative savings and efficiencies and universality of access; and		
13	(F) ability to assist the State with achieving its greenhouse gas		
14	reduction requirements in a manner that is consistent with State policy on		
15	environmental justice.		
16	(e) The report required by this section shall include the following:		
17	(1) Recommendations as to how existing programs may better		
18	coordinate to ensure low- and moderate-income Vermonters are reducing their		
19	total energy consumption and costs.		
20	(2) If applicable, identification of obstacles and recommended solutions		
21	for increasing coordination across electric, thermal, and transportation energy		

1	cost reduction programs, including through the sharing of best practices and			
2	program design and implementation successes.			
3	(3) A recommendation as to whether existing programs should continue			
4	to operate and align with a new statewide program or, instead, transition			
5	eligible customers to a statewide program and otherwise cease operations.			
6	(4) A recommendation regarding the most appropriate financing			
7	mechanism for a statewide energy cost stabilization program if such a program			
8	is recommended and, in addition, recommendations regarding:			
9	(A) eligibility requirements, which may be based on income,			
10	participation in other public assistance programs, or other potential approach;			
11	(B) a process for making and monitoring eligibility determinations;			
12	and			
13	(C) any other matters deemed appropriate by the Commission.			
14	* * * Effective Dates * * *			
15	Sec. 20. EFFECTIVE DATES			
16	This act shall take effect on passage, except that Sec. 18, (30 V.S.A. §			
17	7004(c)) shall take effect on November 1, 2024.			
18				
19				
20				
21				

1	(Committee vote:)	
2		
3		Representative
4		FOR THE COMMITTEE

Page 30 of 30