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H.159

Introduced by Representatives North of Ferrisburgh, Bailey of Hyde Park,
Bosch of Clarendon, Boutin of Barre City, Canfield of Fair
Haven, Coffin of Cavendish, Demar of Enosburgh, Feltus of
Lyndon, Harvey of Castleton, Higley of Lowell, Howland of
Rutland Town, Keyser of Rutland City, Labor of Morgan,
Luneau of St. Albans City, McFaun of Barre Town, Morgan, M.
of Milton, Nelson of Derby, Nielsen of Brandon, Pinsonault of
Dorset, Powers of Waterford, Pritchard of Pawlet, Steady of
Milton, Tagliavia of Corinth, and Winter of Ludlow

Referred to Committee on

Date:

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

Statement of purpose of bill as introduced: This bill proposes to repeal the
Renewable Energy Standard.

An act relating to repealing the Renewable Energy Standard

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

Sec. 1. REPEALS

30 V.S.A. §§ 8004, 8005, 8006, and 8006a are repealed.

1 Sec. 2. 30 V.S.A. § 8002 is amended to read:

2 § 8002. DEFINITIONS

3 As used in this chapter:

4 * * *

5 (17) “New renewable energy” means renewable energy capable of
6 delivery in New England and produced by a specific and identifiable plant
7 coming into service on or after January 1, 2010, but excluding energy
8 generated by a hydroelectric generation plant with a capacity of 200 MW or
9 greater.

10 * * *

11 (B) ~~Except as provided in subdivision 8005(c)(3) of this title, “new~~
12 “New renewable energy” also includes the additional energy from an existing
13 renewable energy plant retrofitted with advanced technologies or otherwise
14 operated, modified, or expanded to increase the kWh output of the plant in
15 excess of a historical baseline established by calculating the average output of
16 that plant for the 10-year period that ended January 1, 2010. If the production
17 of new renewable energy through changes in operations, modification, or
18 expansion involves combustion of the resource, the system also must result in
19 an incrementally higher level of energy conversion efficiency or significantly
20 reduced emissions.

21 * * *

1 (29) ~~“RES” means the Renewable Energy Standard established under~~
2 ~~sections 8004 and 8005 of this title. [Repealed.]~~

3 * * *

4 Sec. 3. 30 V.S.A. § 8005a is amended to read:

5 § 8005a. STANDARD OFFER PROGRAM

6 * * *

7 (c) Cumulative capacity. In accordance with this subsection, the
8 Commission shall issue standard offers to new standard offer plants until a
9 cumulative plant capacity amount of 127.5 MW is reached.

10 * * *

11 (C) ~~Adjustment; greenhouse gas reduction credits.~~ The Commission
12 ~~shall adjust the annual increase to account for greenhouse gas reduction credits~~
13 ~~by multiplying the annual increase by one minus the ratio of the prior year's~~
14 ~~greenhouse gas reduction credits to that year's statewide retail electric sales.~~

15 ~~(i) The amount of the prior year's greenhouse gas reduction~~
16 ~~credits shall be determined in accordance with subdivision 8006a(a) of this~~
17 ~~title.~~

18 ~~(ii) The adjustment in the annual increase shall be applied~~
19 ~~proportionally to the independent developer block and the provider block.~~

1 ~~(iii) Greenhouse gas reduction credits used to diminish a~~
2 ~~provider's obligation under section 8004 of this title may be used to adjust the~~
3 ~~annual increase under this subsection (c). [Repealed.]~~

4 * * *

5 (k) Executed standard offer contracts; transferability; allocation of benefits
6 and costs. With respect to executed contracts for standard offers under this
7 section:

8 * * *

9 (2) The Standard Offer Facilitator shall distribute the electricity
10 purchased to the Vermont retail electricity providers at the price paid to the
11 plant owners, allocated to the providers based on their pro rata share of total
12 Vermont retail kWh sales for the previous calendar year, and the Vermont
13 retail electricity providers shall accept and pay the Standard Offer Facilitator
14 for the electricity. However, during any given calendar year:

15 * * *

16 (B) A retail electricity provider that was relieved from the
17 requirements of this subdivision by the Commission on or before January 25,
18 2018, shall be exempt from the requirements of this subdivision in any year
19 that the Standard Offer Facilitator allocates electricity pursuant to this
20 subdivision if the retail electricity provider meets the following criteria:

21 * * *

1 (ii) ~~the retail electricity provider owns and retires an amount of 30~~
2 ~~V.S.A. § 8005(a)(1) qualified energy environmental attributes that is not less~~
3 ~~than the provider's retail sales. [Repealed.]~~

4 * * *

5 Sec. 4. 30 V.S.A. § 8009 is amended to read:

6 § 8009. BASELOAD RENEWABLE POWER PORTFOLIO
7 REQUIREMENT

8 * * *

9 (b) ~~Notwithstanding subsection 8004(a) and subdivision 8005(c)(1) of this~~
10 ~~title, commencing~~ Commencing on November 1, 2012, each Vermont retail
11 electricity provider shall purchase the provider's pro rata share of the baseload
12 renewable power portfolio requirement, which shall be based on the total
13 Vermont retail kWh sales of all such providers for the previous calendar year.
14 The obligation created by this subsection shall cease on November 1, 2032
15 unless terminated earlier pursuant to subsection (k) of this section.

16 * * *

17 Sec. 5. 30 V.S.A. § 8010 is amended to read:

18 § 8010. SELF-GENERATION AND NET METERING

19 * * *

1 (c) In accordance with this section, the Commission shall adopt and
2 implement rules that govern the installation and operation of net metering
3 systems.

4 (1) The rules shall establish and maintain a net metering program that:

5 * * *

6 (H) allows a customer to retain ownership of the environmental
7 attributes of energy generated by the customer's net metering system and of
8 any associated tradeable renewable energy credits or to transfer those attributes
9 and credits to the interconnecting retail provider, and:

10 * * *

11 (ii) if the customer transfers the attributes to the interconnecting
12 provider, requires the provider to retain them ~~for application toward~~
13 ~~compliance with sections 8004 and 8005 of this title~~ unless the provider has
14 fewer than 75,000 customers, ~~in which case the attributes do not need to be~~
15 ~~applied toward compliance obligations under sections 8004 and 8005 of this~~
16 ~~title; and~~

17 (iii) ~~if a retail electricity provider that is 100 percent renewable~~
18 ~~under subdivision 8005(b)(1) of this title does not retire the transferred~~
19 ~~attributes under sections 8004 and 8005 of this title, requires that the provider~~
20 ~~apply an equivalent amount of attributes from distributed renewable generation~~

1 ~~that qualifies under subdivision 8005(a)(2) of this title toward its compliance~~
2 ~~obligations under sections 8004 and 8005 of this title. [Repealed.]~~

3 (2) The rules shall include provisions that govern:

4 * * *

5 (F) the amount of the credit to be assigned to each kWh of electricity
6 generated by a net metering customer in excess of the electricity supplied by
7 the interconnecting provider to the customer, the manner in which the
8 customer's credit will be applied on the customer's bill, and the period during
9 which a net metering customer must use the credit, after which the credit shall
10 revert to the interconnecting provider.

11 * * *

12 (II) ~~The amount of excess generation, as defined in the~~
13 ~~Commission's rules, from existing net metering systems, may be applied to~~
14 ~~reduce the provider's statutory requirements under:~~

15 ~~(aa) subdivision 8005(a)(2) of this title for a provider with~~
16 ~~fewer than 75,000 customers, not including one that is 100 percent renewable~~
17 ~~under subdivision 8005(b)(1) of this title, and~~

18 ~~(bb) subdivision 8005(a)(5) of this title for a provider that is~~
19 ~~100 percent renewable under subdivision 8005(b)(1) of this title. [Repealed.]~~

20 * * *

1 Sec. 6. 24 V.S.A. § 4352 is amended to read:

2 § 4352. OPTIONAL DETERMINATION OF ENERGY COMPLIANCE;

3 ENHANCED ENERGY PLANNING

4 * * *

5 (c) Enhanced energy planning; requirements. To obtain an affirmative
6 determination of energy compliance under this section, a plan must:

7 * * *

8 (3) be consistent with the following, with consistency determined in the
9 manner described under subdivision 4302(f)(1) of this title:

10 * * *

11 (E) ~~the distributed renewable generation and energy transformation~~
12 ~~categories of resources to meet the requirements of the Renewable Energy~~
13 ~~Standard under 30 V.S.A. §§ 8004 and 8005; and [Repealed.]~~

14 * * *

15 Sec. 7. 30 V.S.A. § 202b is amended to read:

16 § 202b. STATE COMPREHENSIVE ENERGY PLAN

17 * * *

18 (e) The Commissioner of Public Service (Commissioner) shall file an
19 annual report on progress in meeting the goals of the Plan. The report shall
20 address each of the following sectors of energy consumption in the State:
21 electricity, nonelectric fuels for thermal purposes, and transportation. In

1 preparing the report, the Commissioner shall consult with the Secretaries of
2 Administration, of Agriculture, Food and Markets, of Natural Resources, and
3 of Transportation and the Commissioner of Buildings and General Services.

4 * * *

5 ~~(7) The report shall include the following information on progress~~
6 ~~toward meeting the Renewable Energy Standard (RES):~~

7 ~~(A) An assessment of the costs and benefits of the RES based on the~~
8 ~~most current available data, including rate and economic impacts, customer~~
9 ~~savings, technology deployment, greenhouse gas emission reductions achieved~~
10 ~~both relative to 10 V.S.A. § 578 requirements and societally, fuel price~~
11 ~~stability, effect on transmission and distribution upgrade costs, and any~~
12 ~~recommended changes based on this assessment.~~

13 ~~(i) For the most recent calendar year for which data is available,~~
14 ~~each retail electricity provider's retail sales and load, in MWh; required~~
15 ~~amounts of renewable energy for each category of the RES as set forth in~~
16 ~~section 8005 of this title; and amounts of renewable energy and tradeable~~
17 ~~renewable energy credits eligible to satisfy the requirements of sections 8004~~
18 ~~and 8005 of this title actually owned by the Vermont retail electricity~~
19 ~~providers, expressed as a percentage of retail sales and total load.~~

20 ~~(ii) The report shall summarize the energy transformation projects~~
21 ~~undertaken pursuant to section 8005 of this title, their costs and benefits, their~~

1 ~~avoided fossil fuel consumption and greenhouse gas emissions, and, if~~
2 ~~applicable, energy savings.~~

3 ~~(iii) The report shall summarize statewide progress toward~~
4 ~~achieving each of the categories set forth in section 8005 of this title.~~

5 ~~(iv) The report shall assess how costs and benefits of the RES are~~
6 ~~being distributed across State, to the extent possible given available data, by~~
7 ~~retail electricity service territory, municipality, and environmental justice focus~~
8 ~~populations, as defined by 3 V.S.A. § 6002. Such an assessment shall consider~~
9 ~~metrics to monitor affordability of electric rates.~~

10 ~~(B) Projections, looking at least 10 years ahead, of the impacts of the~~
11 ~~RES.~~

12 ~~(i) The Department shall consider at least three scenarios based on~~
13 ~~high, mid-range, and low energy price forecasts.~~

14 ~~(ii) The Department shall provide an opportunity for public~~
15 ~~comment on the model during its development and make the model and~~
16 ~~associated documents available on the Department's website.~~

17 ~~(iii) The Department shall project, for the State, the impact of the~~
18 ~~RES in each of the following areas: electric utility rates, total energy~~
19 ~~consumption, electric energy consumption, fossil fuel consumption, and~~
20 ~~greenhouse gas emissions. The report shall compare the amount or level in~~
21 ~~each of these areas with and without the program.~~

1 ~~(C) An assessment of whether the requirements of the RES have been~~
2 ~~met to date, and any recommended changes needed to achieve those~~
3 ~~requirements.~~

4 ~~(D) A summary of the activities of distributed renewable generation~~
5 ~~programs that support the achievement of the RES, including:~~

6 ~~(i) Standard Offer Program under section 8005a of this title,~~
7 ~~including the number of plants participating in the Program, the prices paid by~~
8 ~~the Program, and the plant capacity and average annual energy generation of~~
9 ~~the participating plants. The report shall present this information as totals for~~
10 ~~all participating plants and by category of renewable energy technology. The~~
11 ~~report also shall identify the number of applications received, the number of~~
12 ~~participating plants under contract, and the number of participating plants~~
13 ~~actually in service.~~

14 ~~(ii) the net metering program, including: the current pace of net~~
15 ~~metering deployment, both statewide and within the service territory of each~~
16 ~~retail electricity provider; the ownership and transfer of the environmental~~
17 ~~attributes of energy generated by net metering systems and of any associated~~
18 ~~tradeable renewable energy credits; and any other information relevant to the~~
19 ~~costs and benefits of net metering. [Repealed.]~~

20 (8) The report shall include any recommendations for statutory change
21 related to sections 8004, 8005, 8005a, 8010, and 8011 of this title.

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Sec. 8. 30 V.S.A. § 8127 is amended to read:

§ 8127. TRADEABLE CLEAN HEAT CREDITS

* * *

(k) Credit eligibility.

(1) All eligible clean heat measures that are delivered in Vermont beginning on January 1, 2023 shall be eligible for clean heat credits and may be retired and count towards an obligated party's emission reduction obligations, regardless of who creates or delivers them and regardless of whether their creation or delivery was required or funded in whole or in part by other federal or State policies and programs. This includes individual initiatives, emission reductions resulting from the State's energy efficiency programs, and the low-income weatherization program, ~~and the Renewable Energy Standard Tier 3 program~~. Clean heat measures delivered or installed pursuant to any local, State, or federal program or policy may count both towards goals or requirements of such programs and policies and be eligible clean heat measures that count towards the emission reduction obligations of this chapter.

* * *

Sec. 9. EFFECTIVE DATE

This act shall take effect on July 1, 2025.