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H.352

Introduced by Representative Logan of Burlington

Referred to Committee on

Date:

Subject: Public service; energy; renewable energy; solar; net metering

Statement of purpose of bill as introduced: This bill proposes to create the Renewable Energy for Communities Program to be administered by the Public Utility Commission.

An act relating to the Renewable Energy for Communities Program

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

Sec. 1. 30 V.S.A. § 8005b is added to read:

§ 8005b. RENEWABLE ENERGY FOR COMMUNITIES PROGRAM

(a) Establishment. The Renewable Energy for Communities Program is established. To achieve the goals of subdivision 8005(a)(2) of this title, the Commission shall develop the Renewable Energy for Communities Program that meets the eligibility requirements of this section, which may be implemented by rule, order, or contract. Retail electricity providers shall issue periodic solicitations subject to the requirements of the Renewable Energy for Communities Program.

1 (b) Eligible resources. Distributed renewable generation as defined in
2 subdivision 8005(a)(2)(B) of this chapter shall be eligible to participate in this
3 Program.

4 (c) Objectives. It shall be the objective of the Program to develop
5 distributed renewable generation at least-cost to ratepayers that is directed by,
6 developed in consultation with, and directly benefits communities by one or
7 more of the following:

8 (1) delivering benefits from renewable energy systems to customers who
9 have historically been marginalized or faced inequitable access to the benefits
10 of renewable energy, including environmental justice focus populations as
11 defined in 3 V.S.A. § 6002;

12 (2) supporting community participation in the development and
13 governance of distributed renewable generation;

14 (3) supporting the delivery of benefits to tenants of buildings that are
15 designated as affordable housing;

16 (4) supporting the delivery of benefits to school and municipally owned
17 buildings; and

18 (5) advancing other priority issues as identified during program
19 development as detailed under subsection (f) of this section.

20 (d) Capacity requirement. Retail electricity providers shall issue
21 solicitations for distributed renewable generation equivalent to a percentage of

1 their requirement under subdivision 8005(a)(2) of this title, as determined by
2 the Commission.

3 (e) Solicitation requirement.

4 (1) On a schedule to be developed by the Commission, each retail
5 electricity provider with an obligation under subdivision 8005(a)(2) of this title
6 shall issue solicitations for eligible distributed generation until it has met its
7 capacity requirement. Coordinated solicitations shall be encouraged. Each
8 retail electric provider shall review proposed projects in its service territory
9 according to a set of consistent core criteria as approved by the Commission
10 and consistent with the objectives set forth in this section.

11 (2) Requirements for retail electricity providers that are 100 percent
12 renewable pursuant to subdivision 8005(b)(1) of this title may be limited by
13 the Commission to an amount equal to the provider's requirement to meet
14 distributed generation with load growth above the baseline year of 2024 and
15 allowed on a less frequent solicitation schedule.

16 (f) Program development. On or before January 1, 2027, the Commission
17 shall implement the Renewable Energy for Communities Program. In
18 developing the program, the Commission shall:

19 (1) determine principles to guide the development of eligible distributed
20 generation and consider whether additional objectives for the program as
21 defined under subsection (c) of this section are necessary;

1 (2) determine whether a percentage of each retail electricity provider's
2 capacity requirement should be reserved to serve specific customers who have
3 previously experienced inequitable access to the benefits of renewable energy
4 and determine any minimum requirement for those projects procured under
5 this program for serving those specific customers;

6 (3) establish a set of consistent review criteria to be used by all retail
7 electricity providers in solicitations for eligible distributed generation,
8 considering issues in addition to cost, including community support or
9 engagement while developing the proposal; potential for local workforce
10 development and other community benefits to be delivered to the host
11 community; location of the project, including whether it is in a constrained
12 area of the distribution or transmission system or in an area identified as a
13 preferred location in a regional or municipal enhanced energy plan pursuant to
14 24 V.S.A. § 4352; and anticipated generation profile;

15 (4) identify reporting requirements and necessary metrics to monitor
16 how benefits and burdens from the program are distributed across ratepayers;

17 (5) consult with individuals representing a diverse array of perspectives,
18 including at minimum representation from industry, retail electric providers,
19 environmental advocates, State agencies, regional and local governments,
20 communities identified as environmental justice focus populations in 3 V.S.A.
21 § 6002, municipalities experiencing high energy burden as identified by

1 Efficiency Vermont’s 2023 Energy Burden Report, renters, and multifamily
2 affordable housing representatives;

3 (6) determine a process for exempting or deferring retail electricity
4 provider requirements under this section in the event no proposals below the
5 applicable alternative compliance payment are received in response to a retail
6 electricity provider’s solicitation;

7 (7) determine a process for evaluating and reporting on the success of
8 the program in achieving the stated goals; and

9 (8) consider other issues as identified throughout the process.

10 (g) Assistance. The Commission may use its authority under sections 20
11 and 21 of this title as may be necessary to support engagement and technical
12 analysis necessary to develop the Program. Funding may be used to support
13 per diem compensation and reimbursement of expenses as permitted under
14 32 V.S.A. § 1010 to conduct engagement with parties who are not otherwise
15 compensated by their employer.

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

17 § 8002. DEFINITIONS

18 * * *

19 (10) “Group net metering system” means a net metering system serving
20 more than one customer, or a single customer with multiple electric meters,
21 located within the service area of the same retail electricity provider. Various

1 buildings owned by municipalities, including water and wastewater districts,
2 fire districts, villages, school districts, and towns, may constitute a group net
3 metering system. A union or district school facility may be considered in the
4 same group net metering system with buildings of its member schools that are
5 located within the service area of the same retail electricity provider. A system
6 that files a complete application for a certificate of public good on or after
7 January 1, ~~2026~~ 2027 shall not qualify for group net metering, unless the plant
8 will be located on the same parcel, or a parcel adjacent to, the parcel where the
9 energy is utilized.

10 * * *

11 (16) “Net metering system” means a plant for generation of electricity
12 that:

13 (A) is of not more than 500 kW capacity;

14 (B) operates in parallel with facilities of the electric distribution
15 system;

16 (C) is intended primarily to offset the customer’s own electricity
17 requirements and does not primarily supply electricity to electric vehicle
18 supply equipment, as defined in section 201 of this title, for the resale of
19 electricity to the public by the kWh or for other retail sales to the public,
20 including those based in whole or in part on a flat fee per charging session or a

1 time-based fee for occupying a parking space while using electric vehicle
2 supply equipment;

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

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

8 (E)(i) for a system that files a complete application for a certificate of
9 public good after December 31, 2024, except for systems as provided for in
10 subdivision (ii) of this subdivision (E), generates energy that will be used on
11 the same parcel as, or a parcel adjacent to, the parcel where the plant is located;

12 (ii) for a system that files a complete application for a certificate
13 of public good after December 31, ~~2025~~ 2026, if the system serves a
14 multifamily building containing qualified rental units serving low-income
15 tenants, as defined under 32 V.S.A. § 5404a(a)(6), generates energy that will
16 be used on the same parcel as, or a parcel adjacent to, the parcel where the
17 plant is located; and

18 (iii) for purposes of subdivisions (10) of this section and this
19 subdivision (16), two parcels shall be adjacent if they share a property
20 boundary or are adjacent and separated only by a river, stream, railroad line,
21 private road, public highway, or similar intervening landform.

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Sec. 3. EFFECTIVE DATE

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This act shall take effect on July 1, 2025.