

1 H.609
2 Introduced by Representatives Campbell of St. Johnsbury and James of
3 Manchester
4 Referred to Committee on
5 Date:
6 Subject: Public service; energy; thermal energy networks
7 Statement of purpose of bill as introduced: This bill proposes to allow the
8 formation of a fire district for the purpose of operating a thermal energy
9 network. It would also clarify that the Public Utility Commission has
10 jurisdiction over entities operating thermal energy networks other than
11 municipalities.

12 An act relating to thermal energy networks
13 It is hereby enacted by the General Assembly of the State of Vermont:
14 Sec. 1. 30 V.S.A. § 201 is amended to read:
15 § 201. DEFINITIONS
16 As used in this chapter:

17 * * *
18 (7) “Thermal energy exchange” means piped noncombustible fluids
19 used for transferring heat into and out of buildings for the purpose of avoiding,
20 eliminating, reducing any existing or new on-site greenhouse gas emissions of

1 all types of heating and cooling processes, including comfort heating and
2 cooling, domestic hot water, and refrigeration.

3 (8) “Thermal energy exchange network” means all real estate, fixtures,
4 and personal property operated, owned, used, or to be used for or in connection
5 with or to facilitate distribution infrastructure project that supplies thermal
6 energy to more than one household, dwelling unit, or ~~network group~~ of
7 buildings that are not commonly owned. This definition does not include a
8 mutual benefit enterprise, cooperative or common interest community that is
9 owned by the persons it serves and that provides thermal energy exchange
10 services only to its members, a landlord providing thermal energy exchange
11 services only to its tenants where the service is included in the lease
12 agreement, or any entity that provides thermal energy exchange services only
13 to itself.

14 Sec. 2. 30 V.S.A. § 203 is amended to read:

15 **§ 203. JURISDICTION OF CERTAIN PUBLIC UTILITIES**

16 The Public Utility Commission and the Department of Public Service shall
17 have jurisdiction over the following described companies within the State, their
18 directors, receivers, trustees, lessees, or other persons or companies owning or
19 operating the companies and of all plants, lines, exchanges, and equipment of
20 the companies used in or about the business carried on by them in this State as
21 covered and included in this chapter. This jurisdiction shall be exercised by

1 the Commission and the Department so far as may be necessary to enable them
2 to perform the duties and exercise the powers conferred upon them by law.
3 The Commission and the Department may, when they deem the public good
4 requires, examine the plants, equipment, lines, exchanges, stations, and
5 property of the companies subject to their jurisdiction under this chapter.

6 * * *

7 (7) A person or company, other than a municipality or entity otherwise
8 exempted under section 231 of this title, that owns or operates a thermal
9 energy exchange network as defined in section 201 of this title.

10 (8) Notwithstanding subdivisions (1) and (2) of this section, the
11 Commission and Department shall not have jurisdiction over persons otherwise
12 not regulated by the Commission that are engaged in the siting, construction,
13 ownership, operation, or control of a facility that sells or supplies electricity to
14 the public exclusively for charging a plug-in electric vehicle, as defined in
15 23 V.S.A. § 4(85). These persons may charge by the kWh for owned or
16 operated electric vehicle supply equipment, as defined in section 201 of this
17 title, but shall not be treated as an electric distribution utility just because
18 electric vehicle supply equipment charges by the kWh.

19 (8)(9) For purposes of this section, “storage” has the same meaning as
20 “energy storage facility” as defined in section 201 of this title.

1 Sec. 3. 30 V.S.A. § 231 is amended to read:

2 § 231. CERTIFICATE OF PUBLIC GOOD; ABANDONMENT OF
3 SERVICE; HEARING

4 * * *

5 (d) Any person or company may petition for a certificate of public good
6 pursuant to subsection (a) of this section to own or operate a thermal energy
7 exchange network; provided, however, that any utility with existing authority
8 established before July 1, 2026, to provide retail electric or natural gas service
9 shall also be authorized to own or operate a thermal energy exchange network
10 subject to the provisions of this title and rules issued by the Commission.

11 Notwithstanding any other State law to the contrary, a municipality or fire
12 district established for the purpose of operating a thermal energy exchange
13 network utility shall have the authority to construct, operate, set rates for,
14 finance, and use eminent domain for a thermal energy exchange network utility
15 without a certificate of public good or approval by the Commission. Nothing
16 in this section shall alter the requirements of 10 V.S.A. chapter 151, including
17 for district energy projects such as those described in subdivision 209(e)(1) of
18 this title.

1 Sec. 4. 20 V.S.A. § 2601 is amended to read:

2 § 2601. GENERALLY

3 A fire district may vote to adopt the town manager system in compliance
4 with 24 V.S.A. chapter 37. It may vote a tax upon the taxable estate for the
5 protection of property in the district from damage by fire; for the acquisition,
6 construction, and maintenance of sewers and sewage treatment works;
7 sidewalks; public parks; water works, water companies, and equipment and
8 real estate used in connection therewith, including reservoirs and dams; for
9 lighting; for the construction, operation, and maintenance of thermal energy
10 exchange networks; and for other lawful purposes. The prudential committee
11 and collector shall have the same power in assessing, levying, and collecting
12 the tax, as town officers have in assessing and collecting town taxes, including
13 the collection of interest on overdue taxes. The prudential committee may
14 expend such sums for acquiring, constructing, and maintaining sewers and
15 sewage treatment works; sidewalks; public parks; water works, water
16 companies; thermal energy exchange networks; and all equipment and real
17 estate used in connection therewith, including reservoirs and dams; and for
18 lighting purposes as the fire district may vote. The committee may use and
19 occupy such portions of the highways within the district as may be necessary
20 for constructing and maintaining sewers and sewage treatment works;

1 sidewalks; public parks; water works and mains, thermal energy exchange
2 networks; and for lighting purposes.

3 Sec. 5. EFFECTIVE DATE

4 This act shall take effect on July 1, 2026.