

S.50

Introduced by Senators Watson, Beck, Bongartz, Hardy and Williams

Referred to Committee on Natural Resources and Energy

Date: February 5, 2025

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

Statement of purpose of bill as introduced: This bill proposes to increase the size of solar net metering projects that qualify for an expedited approval process from 15 kW to 25 kW.

An act relating to increasing the size of solar net metering projects that qualify for expedited registration

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

~~Sec. 1. 20 V.S.A. § 8010 is amended to read:~~

§ 8010. SELF-GENERATION AND NET METERING

* * *

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

* * *

(3) The rules shall establish standards and procedures governing application for and issuance or revocation of a certificate of public good for

~~net metering systems under the provisions of section 248 of this title. In~~
establishing these standards and procedures:

* * *

(F) This subdivision (F) applies to an application for a net metering system with a capacity that is greater than ~~15~~ 25 kilowatts, unless the system is located on a new or existing structure the primary purpose of which is not the generation of electricity. With respect to such a system, the rules shall not waive or include provisions that are less stringent than each of the following:

(i) the requirement of subdivision 248(a)(4)(C) of this title to provide a copy of the application to the Agencies of Agriculture, Food and Markets and of Natural Resources; the Department of Public Service; the Division for Historic Preservation; the municipal legislative body; and the municipal and regional planning commissions; and

(ii) the requirements of subsection 248(f) (preapplication submittal) of this title.

(G) The rules shall establish an expedited registration procedure for net metering systems ~~up to 25 kilowatts~~ 25 kilowatts and less in size.

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Sec. 2. RULEMAKING

The Public Utility Commission shall update its Rule 5.100 to allow ground
~~mounted photovoltaic net metering systems of not more than 25 kW of 25~~

~~kilowatts and less to qualify for expedited registration. It is the intent of the General Assembly that the Commission shall allow systems ~~of not more than 25 kW~~ of 25 kilowatts and less to use the expedited registration before the rules are updated.~~

Sec. 3. 24 V.S.A. § 4412 is amended to read:

§ 4412. REQUIRED PROVISIONS AND PROHIBITED EFFECTS

** * **

(15) Notwithstanding any contrary provision of sections 2291a and 4413 of this title or 30 V.S.A. chapter 5 or 89, in a municipality that has adopted a bylaw to establish setback requirements for development, those requirements shall apply to a net metering system that is 25 kW or less in size that has been registered with the Public Utility Commission as part of expedited review under 30 V.S.A. § 248. Setback requirements under this subdivision shall not be more restrictive than requirements applied to other development in the municipality under this chapter.

Sec. 4. 30 V.S.A. § 8010 is amended to read:

§ 8010. SELF-GENERATION AND NET METERING

** * **

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

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

** * **

(G) accounts for changes over time in the cost of technology; and

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

(i) if the customer retains the attributes, reduces the value of the credit provided under this section for electricity generated by the customer's net metering system by an appropriate amount; and

~~(ii) if the customer transfers the attributes to the interconnecting provider, requires the provider to retain them for application toward compliance with sections 8004 and 8005 of this title; and~~

~~(I) allows a customer to change their decision one time to retain or transfer the attributes of a new or existing system if the system is 25 kW or less in size.~~

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Sec. ~~95~~. EFFECTIVE DATE

~~This act shall take effect on July 1, 2025.~~

Sec. 1. 30 V.S.A. § 8010 is amended to read:

§ 8010. SELF-GENERATION AND NET METERING

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

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

(G) accounts for changes over time in the cost of technology; ~~and~~

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

(i) if the customer retains the attributes, reduces the value of the credit provided under this section for electricity generated by the customer's net metering system by an appropriate amount;

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

(iii) if a retail electricity provider that is 100 percent renewable under subdivision 8005(b)(1) of this title does not retire the transferred attributes under sections 8004 and 8005 of this title, requires that the provider apply an equivalent amount of attributes from distributed renewable generation that qualifies under subdivision 8005(a)(2) of this title toward its compliance obligations under sections 8004 and 8005 of this title; and

(I) allows a customer to change the customer's decision to retain or transfer the attributes once in the 120-day period after the net metering system is commissioned.

* * *

(3) The rules shall establish standards and procedures governing application for and issuance or revocation of a certificate of public good for net metering systems under the provisions of section 248 of this title. In establishing these standards and procedures:

* * *

(F) This subdivision (F) applies to an application for a net metering system with a capacity that is greater than ~~45~~ 25 kilowatts, unless the system is located on a new or existing structure the primary purpose of which is not the generation of electricity. With respect to such a system, the rules shall not waive or include provisions that are less stringent than each of the following:

(i) the requirement of subdivision 248(a)(4)(C) of this title to provide a copy of the application to the Agencies of Agriculture, Food and Markets and of Natural Resources; the Department of Public Service; the Division for Historic Preservation; the municipal legislative body; and the municipal and regional planning commissions; and

(ii) the requirements of subsection 248(f) (preapplication submittal) of this title.

(G) The rules shall establish an expedited registration procedure for net metering systems of 25 kilowatts and less in size.

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Sec. 1a. NET METERING RENEWABLE ENERGY CREDITS OWNERSHIP

The Public Utility Commission (PUC) shall allow a customer who owns a net metering system that was commissioned between January 1, 2023 and July 1, 2025 to change the customer's decision to retain the attributes once. The customer shall be allowed to transfer the attributes to the utility by submitting a request to the PUC by September 2, 2025.

Sec. 2. RULEMAKING

The Public Utility Commission shall update its Rule 5.100 to allow ground mounted photovoltaic net metering systems of 25 kilowatts and less to qualify for expedited registration. It is the intent of the General Assembly that the Commission shall allow systems of 25 kilowatts and less to use the expedited registration before the rules are updated.

Sec. 3. 30 V.S.A. § 248(s) is amended to read:

(s) This subsection sets minimum setback requirements that shall apply to in-state ground-mounted solar electric generation facilities approved under this section, unless the facility is installed on a canopy constructed on an area primarily used for parking vehicles that is in existence or permitted on the date the application for the facility is filed.

(1) The minimum setbacks shall be:

(A) From a State or municipal highway, measured from the edge of the traveled way:

*(i) 100 feet for a facility with a plant capacity exceeding 150 kW;
and*

(ii) 40 feet for a facility with a plant capacity less than or equal to 150 kW but greater than ~~15~~ 25 kW; and

(iii) 10 feet for a facility with a plant capacity less than or equal to 25 kW.

(B) From each property boundary that is not a State or municipal highway:

*(i) 50 feet for a facility with a plant capacity exceeding 150 kW;
and*

(ii) 25 feet for a facility with a plant capacity less than or equal to 150 kW but greater than ~~15~~ 25 kW; and

(iii) 10 feet for a facility with a plant capacity less than or equal to 25 kW.

(2) ~~This subsection does not require a setback for a facility with a plant capacity equal to or less than 15 kW. [Repealed.]~~

(3) On review of an application, the Commission may:

(A) require a larger setback than this subsection requires;

(B) approve an agreement to a smaller setback among the applicant, the municipal legislative body, and each owner of property adjoining the smaller setback; or

(C) require a setback for a facility constructed on an area primarily used for parking vehicles, if the application concerns such a facility.

(4) In this subsection:

(A) “kW” and “plant capacity” shall have the same meaning as in section 8002 of this title.

(B) "Setback" means the shortest distance between the nearest portion of a solar panel or support structure for a solar panel, at its point of attachment to the ground, and a property boundary or the edge of a highway's traveled way.

Sec. 4. 30 V.S.A. § 248(a)(7) is amended to read:

(7) When a certificate of public good under this section or amendment to such a certificate is issued for an in-state electric generation or energy storage facility with a capacity that is greater than ~~45~~ 25 kilowatts, the certificate holder within 45 days shall record a notice of the certificate or amended certificate, on a form prescribed by the Commission, in the land records of each municipality in which a facility subject to the certificate is located ~~and shall submit proof of this recording to the Commission.~~ The recording under this subsection shall be indexed as though the certificate holder were the grantor of a deed. The prescribed form shall not exceed one page and shall require identification of the land on which the facility is to be located by reference to the conveyance to the current landowner; the number of the certificate, and the name of each person to which the certificate was issued and shall include information on how to contact the Commission to view the certificate and supporting documents.

*Sec. 5. PUBLIC UTILITY COMMISSION RECOMMENDATION;
DEFINITION OF SINGLE PLANT*

On or before November 1, 2025, and with input from stakeholders, the Public Utility Commission shall submit a recommended amended definition of "plant" in 30 V.S.A. § 8002(18) and an overview of their process and explanation of the recommendation to the House Committee on Energy and Digital Infrastructure and the Senate Committee on Natural Resources and Energy. In making its recommendation, the Commission shall consider:

- (1) the land use benefits of collocation of energy generation facilities;*
- (2) the ability to ensure comprehensive review of collocated facilities;*
- and*
- (3) the potential impacts to ratepayers associated with collocated facilities.*

Sec. 6. EFFECTIVE DATE

This act shall take effect on July 1, 2025.