

Journal of the House

Tuesday, January 24, 2012

At ten o'clock in the forenoon the Speaker called the House to order.

Devotional Exercises

Devotional exercises were conducted by Rev. Ryan Gackenheimer of the First Congregational Church, UCC, Essex Junction, VT.

Pledge of Allegiance

Page Megan Walker of Cabot led the House in the Pledge of Allegiance.

Message from the Senate No. 6

A message was received from the Senate by Mr. Marshall, its Assistant Secretary, as follows:

Mr. Speaker:

I am directed to inform the House that:

The Senate has considered a bill originating in the House of the following title:

H. 493. An act relating to approval of amendments to the charter of the city of South Burlington.

And has passed the same in concurrence.

The Senate has on its part adopted joint resolution of the following title:

J.R.S. 40. Joint resolution relating to weekend adjournment.

In the adoption of which the concurrence of the House is requested.

Rules Suspended; House Bills Introduced

House bills of the following titles were severally introduced. Pending first reading of the bills, on motion of **Rep. Turner of Milton**, the rules were suspended and the bills were read the first time by number and referred or placed on the Calendar as follows:

H. 581

By Rep. Pugh of South Burlington,

House bill, entitled

An act relating to reporting requirements of fuel suppliers under the home heating assistance program;

To the committee on Human Services.

H. 582

By Reps. Fagan of Rutland City, Andrews of Rutland City, Courcelle of Rutland City, Eckhardt of Chittenden, Martin of Springfield, McNeil of Rutland Town and Russell of Rutland City,

House bill, entitled

An act relating to the types of facilities for elderly or disabled citizens subject to Vermont's meals and room tax;

To the committee on Ways and Means.

H. 583

By Rep. Masland of Thetford,

House bill, entitled

An act relating to creating a timber harvest tax;

To the committee on Ways and Means.

H. 584

By Reps. Yantachka of Charlotte and McCullough of Williston,

House bill, entitled

An act relating to green burials;

To the committee on General, Housing and Military Affairs.

H. 585

By Reps. Howard of Cambridge, Conquest of Newbury, Masland of Thetford and Olsen of Jamaica,

House bill, entitled

An act relating to distributing fine proceeds to municipalities arising from enforcement of certain motor vehicle laws;

To the committee on Government Operations.

H. 586

By Reps. Davis of Washington, Moran of Wardsboro, Poirier of Barre City and South of St. Johnsbury,

House bill, entitled

An act relating to certificates of public good issued by the public service board;

To the committee on Natural Resources and Energy.

H. 587

By Rep. Marcotte of Coventry,

House bill, entitled

An act relating to prohibiting a collector of delinquent taxes from serving as a town clerk or town treasurer;

To the committee on Government Operations.

H. 588

By Reps. Wilson of Manchester, Browning of Arlington, Clarkson of Woodstock, Condon of Colchester, Ellis of Waterbury, Evans of Essex, Hooper of Montpelier, Macaig of Williston, Moran of Wardsboro, Olsen of Jamaica, Scheuermann of Stowe and Stevens of Waterbury,

House bill, entitled

An act relating to prorating the cost of property tax appeals;

To the committee on Government Operations.

H. 589

By Rep. Lewis of Berlin,

House bill, entitled

An act relating to exempting a mobile home from the property transfer tax if it was purchased to replace a mobile home damaged or destroyed by Tropical Storm Irene or another federal disaster in Vermont in 2011;

To the committee on Ways and Means.

H. 590

By Rep. Shaw of Pittsford,

House bill, entitled

An act relating to barring the prohibition of firearms on certain private or public property;

To the committee on Judiciary.

Third Reading; Bill Passed**H. 507**

House bill, entitled

An act relating to authorizing the city of Burlington to issue in fiscal year 2012 the school bond approved in 2009

Was taken up, read the third time and passed.

Bill Amended; Third Reading Ordered**H. 475**

Rep. Cheney of Norwich, for the committee on Natural Resources and Energy, to which had been referred House bill, entitled

An act relating to net metering and definitions of capacity

Reported in favor of its passage when amended by striking all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 30 V.S.A. § 219a(c) is amended to read:

(c) The board shall establish by rule or order 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. A net metering system shall be deemed to promote the public good of the state if it is in compliance with the criteria of this section, and board rules or orders. In developing such rules or orders, the board:

(1) With respect to a solar net metering system of ≤ 10 kW or less, shall provide that the system may be installed ten days after the customer's submission to the board and the interconnecting electric company of a completed registration form and certification of compliance with the applicable interconnection requirements. Within that ten-day period, the interconnecting electric company may deliver to the customer and the board a letter detailing any issues concerning the interconnection of the system. The customer shall not commence construction of the system prior to the passage of this ten-day period and, if applicable, resolution by the board of any interconnection issues raised by the electric company in accordance with this subsection. If the ten-day period passes without delivery by the electric company of a letter that raises interconnection issues in accordance with this subsection, a certificate of public good shall be deemed issued on the 11th day without further proceedings, findings of fact, or conclusions of law, and the customer may commence construction of the system. On request, the clerk of the board promptly shall provide the customer with written evidence of the system's approval. For the purpose of this subdivision, the following shall not be

included in the computation of time: Saturdays, Sundays, state legal holidays under 1 V.S.A. § 371(a), and federal legal holidays under 5 U.S.C. § 6103(a).

* * *

Sec. 2. IMPLEMENTATION; SOLAR REGISTRATION

Within 30 days of the effective date of this section, the public service board shall conform its existing solar net metering registration forms and procedures to the provisions of Sec. 1 of this act, 30 V.S.A. § 219a(c)(1) (registration; solar net metering).

Sec. 3. 30 V.S.A. § 219a(e) is amended to read:

(e) Consistent with the other provisions of this title, electric energy measurement for net metering systems using a single nondemand meter that are not group systems shall be calculated in ~~the following manner:~~ accordance with subdivisions (1)–(3) of this subsection, and electric energy measurement for net metering systems that use other types of meters shall be calculated in accordance with subdivision (4) of this subsection.

(1) The electric company which serves the net metering customer shall measure the net electricity produced or consumed during the customer's billing period, in accordance with normal metering practices.

(2) If the electricity supplied by the electric company exceeds the electricity generated by the customer and fed back to the electric distribution system during the billing period, the customer shall be billed for the net electricity supplied by the electric company, in accordance with normal metering practices.

(3) If electricity generated by the customer exceeds the electricity supplied by the electric company:

(A) The electric company shall calculate a monetary credit to the customer by multiplying the excess kWh generated during the billing period by the kWh rate paid by the customer for electricity supplied by the company and shall apply the credit to any remaining charges on the customer's bill for that period;

(B) If application to such charges does not use the entire balance of the credit, the remaining balance of the credit shall appear on the customer's bill for the following billing period; and

(C) Any accumulated credits shall be used within 12 months, or shall revert to the electric company, without any compensation to the customer. Power reverting to the electric company under this subdivision (3) shall be considered SPEED resources under section 8005 of this title.

(4) For net metering systems using ~~time-of-day~~ time-of-use, demand, or other types of metering, ~~the board shall specify~~ the manner of measurement and the application of bill credits for the electric energy produced or consumed ~~in a manner shall be~~ substantially similar to that specified in this subsection for use with a single nondemand meter, and the credit shall be calculated as if the customer were charged the kWh rate component of the interconnecting company's general residential rate schedule that consists of two rate components: a service charge and a kWh rate, excluding time-of-use rates and demand rates. If a company's general residential rate schedule includes inclining block rates, the residential rate used for the calculation shall be the highest of those block rates.

Sec. 4. 30 V.S.A. § 219a(f)(2) and (3) are amended to read:

(2) Electric energy measurement for group net metering systems shall be calculated by subtracting total usage of all meters included in the group net metering system from total generation by the group net metering system. If the electricity generated by the group net metering system is less than the total usage of all meters included in the group net metering system during the billing period, the group net metering system shall be credited for any accumulated ~~kilowatt-hour~~ credit and then billed for the net electricity supplied by the electric company, in accordance with the procedures in subsection (g)(group net metering) of this section.

(3) If electricity generated by the group net metering system exceeds the electricity supplied by the electric company, the provisions of ~~subdivision~~ subdivisions (e)(3)(credit for excess generation) and (4) (credit calculation: nonstandard meters) of this section shall apply, with credits allocated to and appearing on the bill of each member of the group net metering system in accordance with subsection (g)(group net metering) of this section.

Sec. 5. 30 V.S.A. § 219a(h)(1)(K) is amended to read:

(K) Except as provided in subdivision ~~(1)(K)(v)~~ of this ~~subsection~~ subdivision (1)(K), shall in its rate schedules offer a credit to each net metering customer using solar energy that shall apply to each kWh generated by the customer's solar net metering system and that shall not displace the benefits provided to such customers under subsections (e) and (f) of this section.

(i) The credit required by this subdivision (K) shall be \$0.20 minus the ~~highest~~ residential rate per kWh charged by the company as of the date it files with the board a proposed modification to its rate schedules to effect this subdivision (K) or to revise a credit previously instituted under this subdivision (K). For the purposes of this subdivision (K), the residential rate shall be the kWh rate charged by the company under its general residential rate schedule that consists of two rate components: a service charge and a kWh

rate, and shall exclude time-of-use rates and demand rates. If a company's general residential rate schedule includes inclining block rates, the residential rate shall be the highest of those block rates. Notwithstanding the basis for this credit calculation, the amount of the credit shall not fluctuate with changes in the underlying residential rate used to calculate the amount.

(ii) The electric company shall apply the credit calculated in accordance with subdivision ~~(1)(K)(i)~~ of this ~~subsection~~ subdivision (1)(K) to generation from each net metering system using solar energy regardless of the customer's rate class. A credit under this subdivision (K) shall be applied to all charges on the customer's bill from the electric company and shall be subject to the provisions of subdivisions (e)(3)(B)(credit for unused balance) and (C)(12-month reversion) and (f)(3)(credit for excess generation; group net metering) of this section.

(iii) An electric company's proposed modification to a rate schedule to offer a credit under this subdivision (K) and any investigation initiated by the board or party other than the company of an existing credit contained in such a rate schedule shall be reviewed in accordance with the procedures set forth in section 225 of this title, except that:

(I) A company's proposed modification shall take effect on filing with the board and shall not be subject to suspension under section 226 of this title;

(II) Such a modification or investigation into an existing credit shall not require review of the company's entire cost of service; and

(III) Such a modification or existing credit may be altered by the board for prospective effect only commencing with the date of the board's decision.

(iv) Within 30 days of this subdivision's effective date, each electric company shall file a proposed modification to its rate schedule that complies with this subdivision (K). Such proposed modification, as it may be revised by the board, shall not be changed for two years starting with the date of the board's decision on the modification. After the passage of that two-year period, further modifications to the amount of a credit under this subdivision may be made in accordance with subdivisions ~~(1)(K)(i)–(iii)~~ of this ~~subsection~~ subdivision (1)(K).

(v) An electric company shall not be required to offer a credit under this subdivision (K) if, as of the effective date of this subdivision, the result of the calculation described in subdivision ~~(1)(K)(i)~~ of this ~~subsection~~ subdivision (1)(K) is zero or less.

(vi) A solar net metering system shall receive the amount of the credit under this subdivision (K) that is in effect for the service territory in which the system is installed as of the date of the system's installation and shall continue to receive that amount for not less than 10 years after that date regardless of any subsequent modification to the credit as contained in the electric company's rate schedules.

(vii) Not later than 30 days after board approval of an electric company's first rate schedule proposed to comply with this subdivision (1)(K), the company shall offer the amount of the credit contained in such rate schedule to each solar net metering system placed into service prior to the date on which the company submitted the proposed schedule to the board. Each system that accepts this offer shall receive the credit for not less than 10 years after the date of such acceptance, provided that the system remains in service, and regardless of any subsequent modification to the credit as contained in the company's rate schedules. Should an additional meter at the premises of the net metering customer be necessary to implement this subdivision (vii), or should that meter need replacement because it fails or is destroyed, the net metering customer shall ~~bear the cost of the additional meter~~ not pay a charge greater than the cost of the equipment and installation of the additional or replacement meter.

Sec. 6. RATE SCHEDULES; MODIFICATIONS

(a) Any electric distribution utility whose rate schedule does not comply with 30 V.S.A. § 219a(h)(1)(K) (mandatory credits; solar net metering systems) as amended by Sec. 5 of this act shall file a proposed modification to its rate schedule to achieve such compliance within 30 days of the effective date of Sec. 5.

(b) The provisions of 30 V.S.A. § 219a(h)(1)(K)(iii) (review process) shall apply to a proposed modification filed pursuant to this section.

(c) The provisions of 30 V.S.A. § 219a(h)(1)(K)(iv) (no change for two years) and (vii) (equal offer to existing solar systems) shall apply to:

(1) A proposed modification filed pursuant to this section; and

(2) Any changes to rate schedules approved by the public service board between May 25, 2011 and the effective date of this section that:

(A) comply with 30 V.S.A. § 219a(h)(1)(K) as amended by Sec. 5 of this act; and

(B) were approved pursuant to either 30 V.S.A. § 219a(h)(1)(J) (voluntary credits) or 30 V.S.A. § 219a(h)(1)(K).

Sec. 7. NET METERING; STUDY; REPORT

No later than January 15, 2013, the department of public service (the department) shall analyze whether and to what extent customers using net metering systems under 30 V.S.A. § 219a are subsidized by other retail electric customers who do not employ net metering and shall submit the analysis and any accompanying recommendations as a written report to the general assembly. The analysis shall include an examination of any benefits or costs of net metering systems to Vermont's electric distribution and transmission systems and the extent to which customers owning net metering systems do or do not contribute to the fixed costs of Vermont's retail electric utilities. Prior to completing the analysis and submitting the report, the department shall offer an opportunity for interested persons such as the retail electric utilities and renewable energy developers and advocates to submit information and comment.

Sec. 8. 30 V.S.A. § 8002(13) is amended to read:

(13) “Plant capacity” means the rated electrical nameplate for a plant, except that, in the case of a solar energy plant that executes a standard offer contract under this chapter, the term shall mean the aggregate AC nameplate capacity of all inverters used to convert the plant's output to AC power.

Sec. 9. EFFECTIVE DATES; RETROACTIVE APPLICATION

(a) This section and Secs. 2–8 of this act shall take effect on passage.

(b) Sec. 1 of this act (net metering; solar registration) shall take effect 30 days after passage.

(c) Notwithstanding 1 V.S.A. §§ 213 and 214, Sec. 8 of this act (amending the definition of plant capacity) shall apply to solar energy plants that have executed a standard offer contract under 30 V.S.A. chapter 89 and are commissioned, within the meaning of 30 V.S.A. § 8002(11), on or after January 1, 2012.

The bill, having appeared on the Calendar one day for notice, was taken up, read the second time, report of the committee on Natural Resources and Energy agreed to and third reading ordered.

Joint Resolution Adopted**J.R.H. 21**

Joint resolution, entitled

Joint resolution supporting the establishment of the National Women's History Museum in Washington, D.C.;

Was taken up and adopted on the part of the House.

Adjournment

At ten o'clock and thirty-five minutes in the forenoon, on motion of **Rep. Turner of Milton**, the House adjourned until tomorrow at one o'clock in the afternoon.