



2017

# New England State Energy Legislation

AS OF JUNE 19, 2017



## 2017 New England Energy Legislation Summary

This summary of 2017 energy legislation in the six New England states is current as of June 19 and includes pending legislation and enacted laws of relevance to New England Power Pool (NEPOOL) Participants.

As of the date of this summary, only two states – Connecticut and Vermont – have fully concluded their regular legislative sessions. The Connecticut legislature is expected to reconvene in a special session to enact a state budget, and may address additional legislation, including energy. The Vermont legislature is expected to reconvene in a special veto session on June 21. The other New England states - Maine, Massachusetts, New Hampshire and Rhode Island - are still actively considering legislation and have not yet adjourned as of this date. In this regard, we have attempted to identify significant legislation pending, passed, or vetoed in each of these states that is of interest to NEPOOL Participants.

This summary will be posted to the NEPOOL website and revised as appropriate, with the posting of a final version once the 2017 legislative sessions have adjourned in all six states.

Please let us know if you have any questions about 2017 legislative developments, and we will work to get you answers. You can refer questions to any member of the NEPOOL legal team listed at the end of this summary.

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# Connecticut

The Connecticut legislature began its current session on January 4 and adjourned on June 7. The legislature is expected to reconvene in a special session, possibly in late June, to enact a state budget. This special session may or may not address other matters, including energy.

## ***Passed Legislation:***

### **1. AN ACT REQUIRING A STUDY OF THE VIABILITY OF NEW DISTRICT HEATING NETWORKS IN THE STATE (H.B. 6304)**

- This legislation creates a process through which the electric distribution company serving Bridgeport can own and operate a combined heat and power (CHP) system that supplies thermal heat to Bridgeport's district heating company.
- Requires that the Connecticut Department of Energy & Environmental Protection (DEEP), in preparing its next comprehensive energy strategy and any strategy thereafter, incorporate a study of the viability of new district heating networks in the state including, but not limited to, recommendations for financing district heating networks.
- Current Status: Transmitted to the Governor for signature.
- EFFECTIVE DATES: July 1, 2017 (Section 1); October 1, 2017 (Section 2).

### **2. AN ACT CONCERNING PUBLIC NOTICE OF TREE REMOVAL ON MUNICIPAL PROPERTY (Public Act No. 17-117) (H.B. 6356)**

- This legislation expands to municipal property prohibitions regarding:
  - ❖ pruning, removing, injuring, marking, or defacing trees or other natural objects;
  - ❖ posting notices; and
  - ❖ distributing or discarding advertisements and certain other materials.
- Requires telephone, telecommunications, and electric distribution companies (defined as "Utilities" in the legislation) to comply with the legislation's application and permitting provisions when managing vegetation in any part of a utility protection zone located on municipal property.



- Subjects Utilities that do not comply with various requirements when managing vegetation in such zones to civil penalties for each violation, in addition to other penalties under law; however, the legislation exempts from these requirements those cases in which a utility prunes or removes a tree that is in direct contact with an energized electrical conductor or that has visible signs of burning.
- Current Status: Transmitted to the Governor for signature.
- EFFECTIVE DATE: Upon passage.

**3. *AN ACT PROMOTING THE USE OF FUEL CELLS FOR ELECTRIC DISTRIBUTION SYSTEM BENEFITS AND RELIABILITY (Public Act. No. 17-144) (H.B. 7036)***

- This legislation allows electric distribution companies (EDCs) under certain conditions, to:
  - ❖ build, own, and operate new fuel cell generation;
  - ❖ enter into power purchase agreements (PPAs) negotiated with people to build, own, and operate new fuel cell generation not exceeding 10 megawatts (MWs) in the aggregate; and
  - ❖ provide financial incentives to install fuel cell-powered CHP systems not exceeding 10 MWs in the aggregate, provided any such incentives shall be consistent with the Comprehensive Energy Strategy pursuant to Section 16a-3d of the general statutes.
- The total nameplate (generating) capacity rating of these fuel cell projects cannot exceed 30 MWs in the aggregate.
- This legislation requires Connecticut Public Utilities Regulatory Authority (PURA) approval for an EDC's plans to acquire new fuel cell generation and any proposals subsequently received under an approved plan. PURA must evaluate any proposal submitted and may approve one or more proposals if it finds that such proposal:
  - ❖ was developed in a manner that is consistent with a PURA-approved acquisition plan;
  - ❖ serves the long-term interests of ratepayers; and
  - ❖ cost-effectively avoids or defers distribution system costs.

- Net costs incurred by EDCs under any such plans or proposals will be recovered from their ratepayers.
- This legislation expands the procurement authority of the DEEP commissioner to include proposals from fuel cell, offshore wind, or anaerobic digestion facilities and, if the proposals meet certain conditions, order the EDCs to enter into contracts with them to procure energy, capacity, and environmental attributes, or any combination of these for up to 20 years.
- This legislation changes the Class II renewable portfolio standard (RPS) to include only trash-to-energy facilities, increases to 4 percent (rather than from 3 percent) the percentage of power that must be from Class I or Class II resources, and lowers the alternative compliance payment for failure to comply.
- This legislation also requires the Office of Fiscal Analysis to prepare a ratepayer impact statement for any bill before the General Assembly that would have a financial impact on electric ratepayers if passed, and, beginning with the 2019 legislative session, prohibits either chamber of the General Assembly from acting on a bill without such a statement, unless two-thirds of the chamber votes to dispense with the statement requirement.
- Current Status: Transmitted to the Governor for signature.
- EFFECTIVE DATE: July 1, 2017, except the provisions relative to Class II sources, which became effective on June 27, 2017, and a conforming statement on ratepayer impact statements, which will become effective July 1, 2019.

**4. AN ACT CONCERNING RENEWABLE PORTFOLIO STANDARD COMPLIANCE REQUIREMENTS (Public Act. No. 17-186) (H.B. 7104)**

- This legislation removes a provision that allows a supplier or an electric distribution company to make up a deficiency in its RPS requirements for the previous calendar year within the first three months of the succeeding calendar year.
- Current Status: Transmitted to the Governor for signature.
- EFFECTIVE DATE: July 1, 2017.

**5. AN ACT CONCERNING WATER COMPANY RATE ADJUSTMENT MECHANISMS (Public Act. No. 17-138) (H.B. 7105)**

- This legislation revises the methods PURA uses to make certain determination between rate cases for both public utilities and water companies.

- Expands and realigns the timeframe used to determine when a public utility's excessive return on equity requires PURA to determine the need for an interim rate decrease.
- Requires PURA to establish an earnings sharing mechanism when a company exceeds its allowable rate of return by more than 100 basis points for the rolling 12-month period ending with the two most recent consecutive financial quarters. The earnings sharing mechanism must allow such excess return on equity to be shared equally between ratepayers and shareholders.
- Current Status: Transmitted to the Governor for signature.
- EFFECTIVE DATE: October 1, 2017.

**6. AN ACT CONCERNING PUBLIC UTILITIES REGULATORY AUTHORITY ADMINISTRATIVE HEARINGS FOR PURCHASED GAS ADJUSTMENTS, ENERGY ADJUSTMENTS CHARGES OR CREDITS AND TRANSMISSION RATES (Public Act No. 17-35) (S.B. 899)**

- This legislation revises the requirement that the PURA hold an administrative hearing to approve certain charges related to purchased gas adjustments, energy adjustment charges or credits, and transmission rate changes for electric distribution and gas companies by making such a hearing optional, unless an electric distribution company, a gas company, interested persons, or members of the public request a hearing. Notice of any request for a hearing and any hearing scheduled is to be published five days before the hearing in a newspaper that circulates in the company's service area.
- Current Status: Signed by Governor on June 8, 2017.
- Effective Date: October 1, 2017.

**7. AN ACT CONCERNING MUNICIPAL ELECTRIC UTILITY COOPERATIVES (Public Act No. 17-73) (S.B. 4)**

- This legislation prohibits a municipal electric energy cooperative (Co-Op) from holding meetings, public hearings, strategic retreats, or similar activities outside Connecticut. Co-Op strategic retreats or similar activities must be approved by the Co-Op's board at a board meeting.
- Notices, agendas, and minutes for meetings and public hearings of a Co-Op, its member utilities, and its member utilities' municipalities be posted, within specific timeframes, on their respective websites.

- Requires that one of the people appointed to a Co-Op board from each of the member utilities be appointed by the member utility's municipal legislative body and be a commercial or residential ratepayer of the member utility operating in the legislative body's municipality. The municipal legislative body must prescribe that board member's qualifications, term and compensation by the municipal legislative body. That board member cannot hold an official position in, or be employed by, the governing body of a member utility, a municipality in which a member utility operates, or the Co-Op.
- Requires a Co-Op to have an independent auditing firm annually conduct and issue reports on a forensic examination of the Co-Op's books and accounts, as well as the Co-Op's conformance with the provisions of Chapter 101a and the Co-Op's bylaws (Audit Reports). Those Audit Reports, including any recommended corrective actions identified therein, must be posted within specific timeframes to the websites of the Co-Op, its member utilities, and its member utilities' municipalities.
- Additionally, this legislation requires a Co-Op to include in an annual report to the Energy and Technology Committee a list of the Co-Op's current board members and officers; copies of its most recent annual report, Auditor Reports, bylaws, conflicts of interest policy (if any), and, IRS Form 990; and a report that lists, for each Co-Op employee, the amount of the salary, wages and fringe benefit expenses.
- Further, this legislation establishes the position of a municipal electric consumer advocate to act as an independent advocate for consumer interests in all Co-Op matters, including electric rates. Connecticut's Co-Ops must together pay for costs related to the consumer advocate, with such costs limited to \$70,000 for the first year and \$50,000 for each subsequent year unless the consumer advocate demonstrates a substantial need and each board of Connecticut's Co-Ops approves it.
- Current Status: Transmitted to the Governor for signature.
- EFFECTIVE DATE: October 1, 2017.

**8. AN ACT CONCERNING MINOR REVISIONS TO ELECTRIC SUPPLIER COMPLIANCE REQUIREMENTS REGARDING ENVIRONMENTAL LAWS, RENEWABLE PORTFOLIO STANDARDS AND ADVERTISING AND CONTRACT PROVISIONS AND THE PUBLIC UTILITIES REGULATORY AUTHORITY'S REPORTING OF ELECTRIC RATES (Public Act No. 17-64) (S.B. 900)**

- Among other provisions, this legislation makes minor changes to existing statutes regarding electric supplier compliance with environmental laws,

renewable portfolio standards, advertising and contract requirements, and the Public Utility Environmental Standards Act.

- Of note, this legislation:
  - ❖ provides that customers may cancel a renewed contract with a retail electric supplier within the renewed contract's first two billing cycles without paying a fee;
  - ❖ changes the conditions under which suppliers may advertise the renewable energy credits (RECs) they purchase; and
  - ❖ delays the deadline by which PURA, in consultation with the Office of Consumer Counsel, must submit an annual report on the state of electric rate competition and the average rates for each customer class (commencing with the 2018 report, the report is to be submitted by April 1 rather than January 1).
- Current Status: Transmitted to the Governor for signature.
- EFFECTIVE DATE: October 1, 2017.

**9. AN ACT CONCERNING THE INSTALLATION OF CERTAIN SOLAR FACILITIES ON PRODUCTIVE FARMLANDS (S.B. No. 943)**

- This legislation revises Section 16 of the General Statutes to require the DEEP Commissioner to consider environmental impacts of proposals received in response to solicitations, including (but not limited to) the impacts to prime farmland and core forests and the reuse of Commissioner-identified brownfields and landfills.
- Authorizes the Connecticut Siting Council (CSC) to approve by declaratory ruling the construction or location of solar facilities with a capacity of 2 MWs or more to be located on prime farmland or forestland, excluding facilities selected by DEEP in any solicitation issued prior to July 1, 2017, provided the Department of Agriculture or DEEP represents in writing to the CSC that such project will not materially affect the status of such land as prime farmland or core forest.
- Provides that the Public Utilities Regulatory Authority must authorize, subject to defined apportionment to each electric distribution company, \$3 million per year for agricultural customer hosts, provided that each such host is an anaerobic digester host subject to certain requirements.

- Authorizes DEEP and the Department of Agriculture to assist companies in seeking approval of kelp oil as a feedstock under the fuel pathway within the Renewable Fuel Standard Program.
- Current Status: Transmitted to the Governor for signature.
- Effective Date: July 1, 2017; upon passage (kelp oil provision).

# Maine

The Maine State Legislature began its current session on December 7, 2016 and is scheduled to adjourn on June 21. To date the legislature has passed four bills of interest to NEPOOL Participants; two have been enacted into law and two have been vetoed by the Governor.

## ***Enacted Legislation:***

### **1. *AN ACT TO INCREASE INVESTMENT AND REGULATORY STABILITY IN THE ELECTRIC INDUSTRY (HP 744) (LD 1061)***

- This legislation gives the Maine Public Utilities Commission (ME PUC) authority to direct investor-owned transmission and distribution utilities to enter into long-term contracts for regional procurement of capacity resources, energy or renewable energy credits.
- The legislation also requires the ME PUC to issue an annual report on the procurement of capacity resources, energy and renewable energy credits in the preceding 12 months with a plan for the succeeding 12 months that is consistent with Maine's goals for greenhouse gas reduction.
- In addition to adjustments to grid-scale wind permitting, the legislation directs the Maine Department of Environmental Protection to convene a stakeholder group regarding the effect of expedited wind energy on scenic character and existing uses, which may issue a report of its findings, including recommended legislation, to the Joint Standing Committee on Energy, Utilities and Technology.
- Current Status: Enacted.
- EFFECTIVE DATE: Became law on June 6, 2017 without the Governor's signature.

### **2. *AN ACT TO PROVIDE ENERGY COST REDUCTION FOR MAINE BUSINESSES AND CITIZENS (SP 110) (LD 344)***

- This bill extends the expiration date for the execution of an energy cost reduction contract by the ME PUC from December 31, 2018 to December 31, 2020.
- Current Status: Signed by the Governor on April 19.
- EFFECTIVE DATE: April 19, 2017.

### ***Vetoed Legislation:***

3. ***AN ACT TO ENSURE RESILIENCY OF THE MAINE ELECTRIC GRID (HP 373) (LD 529)***
  - This legislation would require, beginning December 1, 2017, and annually thereafter, that each investor-owned transmission and distribution utility submit to the commission a report detailing what steps, if any, the investor-owned transmission and distribution utility has taken to protect its bulk transmission systems from geomagnetic disturbances and electromagnetic pulse, including activities undertaken to meet any federal recommendations made to address geomagnetic disturbances and electromagnetic pulse.
  - This legislation would require each such utility to include neutral direct current monitoring information from autotransformers where monitoring equipment is installed, collected by the investor-owned transmission and distribution utility.
  - Current Status: Passed by the legislature on May 2; vetoed by the Governor on May 12; veto sustained on May 16.
  
4. ***AN ACT TO AMEND THE LAWS GOVERNING THE DETERMINATION OF A WIND ENERGY DEVELOPMENT'S EFFECT ON THE SCENIC CHARACTER OF MAINE'S SPECIAL PLACES (HP 629) (LD 901)***
  - This legislation would require an applicant for an expedited wind energy development to provide a visual impact assessment of its project if the proposed wind generating facilities are located within 8 miles, measured horizontally, from a scenic resource of state or national significance.
  - Current Status: Passed by the legislature on May 31; vetoed by the Governor on June 12; veto sustained on June 13.



# Massachusetts

The Massachusetts General Court is in its first year of its two-year session, which will conclude on July 31, 2018. So far, because it is early in the legislative session, no energy bills have been enacted in Massachusetts in 2017, and none have been voted on by at least one chamber. Numerous energy-related bills across such broad areas as climate change, renewables, energy storage, energy competitiveness and infrastructure have been introduced. Highlighted below are several representative bills that may be of interest to NEPOOL Participants. As the session unfolds, updates will be provided as appropriate to reflect current legislative developments.

## ***Pending Legislation:***

### **1. *AN ACT TRANSITIONING MASSACHUSETTS TO 100 PERCENT RENEWABLE ENERGY (2017 MA S 1849)***

- This legislation would steadily transition Massachusetts to 100 percent clean, renewable energy by 2050.
- This legislation provides for the establishment of a council to oversee the transition and for studies to be performed to determine how to carry out the transition. It also provides for regulations that would set interim targets for 2030 and 2040 for non-renewable energy resources serving load in Massachusetts and annually declining limits on such resources.
- Current Status: Bill was introduced on January 23 and is currently before the Joint Committee on Telecommunications, Utilities and Energy.

### **2. *AN ACT REQUIRING THE TIMELY ADOPTION OF GREENHOUSE GAS EMISSION LIMITS FOR THE YEAR 2030 (2017 MA S 1828)***

- This legislation would establish a statewide greenhouse gas emissions limit for 2030 of between 35 per cent and 60 per cent below the 1990 emissions level.
- This legislation would require the Secretary of Energy and Environmental Affairs to consult with all state agencies and regional authorities that have jurisdiction over sources of greenhouse gases on all elements of the emissions limits and plans that pertain to energy-related matters – including (but not limited to) electrical generation, load-based-standards or requirements, the provision of reliable and affordable electrical service and statewide fuel supplies - to ensure that greenhouse gas emissions reduction activities to be adopted and implemented by the secretary are complementary, are non-duplicative, and can be implemented in an efficient and cost-effective manner.

- Current Status: Bill was introduced on January 23, and is pending in the Joint Committee on Telecommunications, Utilities and Energy. A hearing was held on June 13.

**3. AN ACT RELATIVE TO MEETING THE ENERGY NEEDS OF THE COMMONWEALTH (2017 MA S 1886)**

- This legislation would require the development every three years of a comprehensive energy plan for Massachusetts (the Plan). The Plan would be developed by state regulators after consultation with ISO New England Inc. and the state's electric and gas utilities.
- This legislation would require that the Plan prioritize meeting energy needs first through conservation and cost-effective energy efficiency and other cost-effective demand-reduction resources, and to the maximum extent feasible through cost-effective renewable resources and cogeneration.
- Upon adoption of the Plan, all certificates, licenses, permits, authorizations, grants, and other actions and activities by a state agency or authority shall be consistent, to the maximum extent feasible, with the Plan.
- Current Status: Bill was introduced on January 23, and is before the Joint Committee on Telecommunications, Utilities and Energy.

**4. AN ACT PROVIDING FOR A COMPREHENSIVE ADAPTATION MANAGEMENT PLAN IN RESPONSE TO CLIMATE CHANGE (2017 MA S 472)**

- This legislation would require the development at least once every 10 years of a comprehensive climate change adaptation management action plan.
- Upon adoption of the plan, all certificates, licenses, permits, authorizations, grants, financial obligations, projects, actions and approvals for any proposed projects, uses or activities in and by a state agency or state authority shall be consistent, to the maximum extent practicable, with the plan.
- Current Status: Bill was introduced on February 22, and was reported favorably by the Joint Committee on Environment, Natural Resources and Agriculture, as amended, and referred to the Senate Committee on Global Warming and Climate Change on June 12.

**5. AN ACT RELATIVE TO SOLAR POWER AND THE GREEN ECONOMY (2017 MA H 2706)**

- This legislation would establish a solar program to achieve 17.5 per cent solar electricity, measured by the sale of retail electricity to end-use customers in Massachusetts, by December 31, 2025, and 25 per cent solar electricity by December 31, 2030.

- Current Status: Bill was introduced on March 8 and is currently before the Joint Committee on Telecommunications, Utilities and Energy.

**6. AN ACT RELATIVE TO ENERGY STORAGE PROCUREMENT FOR 2025 AND 2030 (2017 MA S 1874)**

- This legislation would require that on or before December 31, 2018, the Department of Energy Resources (DOER) shall set a statewide deployment target of 1,766 MWs of cost-effective energy storage to be achieved by January 1, 2025, and that on or before December 31, 2020, the DOER shall set a subsequent statewide energy storage deployment target to be achieved by January 1, 2030.
- Current Status: Bill was introduced on January 23 and is pending in the Joint Committee on Telecommunications, Utilities and Energy; a hearing by that committee was held on June 13.

**7. AN ACT TO ADVANCE ENERGY STORAGE (2017 MA H 1746)**

- This legislation accompanies S 1874 and would also require that on or before December 31, 2018, the DOER set a statewide deployment target of 1,766 MW of cost effective energy storage to be achieved by January 1, 2025, and that on or before December 31, 2020, the DOER is to set a subsequent statewide energy storage deployment target to be achieved by January 1, 2030.
- Current Status: This bill was introduced on February 24 and is pending in the Joint Committee on Telecommunications, Utilities and Energy; a hearing by that committee was held on June 13.

**8. AN ACT COMBATING CLIMATE CHANGE (2017 MA S 1821)**

- This legislation would require the DOER to establish a system of financial charges to be imposed on the sale or distribution of “greenhouse gas emitting priorities” (defined as “matter that emits or is capable of emitting a greenhouse gas when burned and is identified as a priority under the terms of this act, except that natural gas, petroleum, coal, and any solid, liquid or gaseous fuel derived therefrom shall be greenhouse gas-emitting priorities”). The charge in the first year of operation would be \$10 per ton of CO<sub>2</sub>e and the charge would increase by \$5 every year until the rate is \$40 per ton of CO<sub>2</sub>e. The DOER would also establish a system of rebates to residents from the charges collected.
- Current Status: Bill was introduced on January 23, and is pending in the Joint Committee on Telecommunications, Utilities and Energy; a hearing by that committee was held on June 13.

**9. AN ACT TO PROMOTE GREEN INFRASTRUCTURE, REDUCE GREENHOUSE GAS EMISSIONS, AND CREATE JOBS (2017 MA H 1726)**

- This legislation is similar to S 1821 and would require the DOER to establish a system of financial charges to be imposed on the sale or distribution of “greenhouse gas emitting priorities” (defined as “matter that emits or is capable of emitting a greenhouse gas when burned and is identified as a priority under the terms of this act, except that natural gas, petroleum, coal, and any solid, liquid or gaseous fuel derived therefrom shall be greenhouse gas-emitting priorities”). The charge in the first year of operation would be \$10 per ton of CO<sub>2</sub>e and the charge would increase by \$5 every year until the rate is \$40 per ton of CO<sub>2</sub>e. The DOER would also establish a system of rebates to residents from the charges collected.
- Current Status: Bill was introduced on January 23, and is pending in the Joint Committee on Telecommunications, Utilities and Energy; a hearing by that committee was scheduled for June 20.

**10. AN ACT TO PROTECT OUR ENVIRONMENT AND LOWER OUR CARBON FOOTPRINT (2017 MA S 1869)**

- This legislation would amend existing climate protection and green economy statutes to allow for a carbon tax and rebate mechanism.
- Current Status: Bill was introduced on January 23, and is pending in the Joint Committee on Telecommunications, Utilities and Energy; a hearing by that committee was scheduled for June 20.

# New Hampshire

The New Hampshire General Court began its current session on January 4, and is scheduled to adjourn on July 1. To date, the legislature has passed six energy bills of note; three have been signed into law by the Governor, and three are in the process of being transmitted for signature or other action.

## ***Passed Legislation:***

**1. *AN ACT ESTABLISHING A COMMITTEE TO REVIEW SUBSIDIES FOR ENERGY PROJECTS PROVIDED BY THE RENEWABLE PORTFOLIO STANDARD (Public Act. No. 81) (S.B. 51)***

- This legislation establishes a joint committee to study subsidies for energy projects provided by the renewable portfolio standard.
- Current Status: Signed by the Governor on June 2.
- EFFECTIVE DATE: June 2, 2017.

**2. *AN ACT ESTABLISHING A COMMITTEE TO STUDY TRANSMISSION, DISTRIBUTION, GENERATION AND OTHER COSTS IN ELECTRICITY SYSTEM (Public Act No. 83) (S.B. 125)***

- This legislation establishes a committee to study transmission and distribution costs in the state's energy system.
- The members of the committee shall include:
  - ❖ three members of the state Senate, appointed by the president of the Senate.
  - ❖ three members of the House of Representatives, appointed by the speaker of the House of Representatives.
- This legislation requires the committee to:
  - ❖ study the reasons for the increase in transmission and distribution costs in the New Hampshire energy system; and
  - ❖ explore ways to mitigate or lower such transmission and distribution expenses.
- Current Status: Signed by the Governor on June 2.
- EFFECTIVE DATE: June 2.

**3. AN ACT REPEALING THE VOLUNTARY GREENHOUSE GAS EMISSIONS REDUCTIONS REGISTRY (Public Act. 74) (H.B. 540)**

- This legislation repeals the voluntary greenhouse gas emissions reductions registry administered by the New Hampshire Department of Environmental Services.
- Current Status: Signed by the Governor on June 2.
- EFFECTIVE DATE: July 1.

**4. AN ACT RELATIVE TO THE ENERGY EFFICIENCY FUND (H.B. 352)**

- This legislation changes the name of the Energy Efficiency Fund to the Energy Fund.
- This legislation revises the list of project categories that may be funded by the Energy Fund to include renewable energy projects.
- Specifically, this legislation provides for funds to be used to reimburse the Department of Administrative Services, Division of Public Works Design and Construction, for costs of providing construction administration services including, but not limited to, the design of and oversight of the design and construction of energy-saving or renewable energy measures.
- Current Status: Signed by the Governor on June 16.
- EFFECTIVE DATE: August 15.

**5. AN ACT REQUIRING NOTICE TO AFFECTED MUNICIPALITIES OF ENERGY FACILITY SITING (S.B.116)**

- This legislation requires applicants for an energy facility certificate to give notice to affected municipalities.
- This legislation also provides for an opportunity at one or more public hearings for comments from the governing body of each affected municipality and from residents of each affected municipality.
- Current Status: Signed by the Governor on June 15.
- EFFECTIVE DATE: August 14.

**6. AN ACT REQUIRING A PORTION OF THE RENEWABLE ENERGY FUND TO BENEFIT LOW TO MODERATE INCOME RESIDENTIAL CUSTOMERS, RELATIVE TO ELECTRIC RENEWABLE ENERGY CLASSES, RELATIVE TO THE CLASS RATE FOR BIOMASS, AND RELATIVE TO REQUIREMENTS FOR INCENTIVE PAYMENTS FROM THE RENEWABLE ENERGY FUND (S.B. 129)**

- This legislation requires a portion of the Renewable Energy Fund to benefit low to moderate income residential customers.
- This legislation is primarily directed at raising the Renewable Energy Portfolio Standard for Class II renewables, which includes biomass facilities. This legislation also eliminates the generation capacity requirement for incentive payments from the Renewable Energy Fund.
- Current Status: Pending before the Committee on Enrolled Bills prior to transmittal to the Governor for signature or other action.
- EFFECTIVE DATE: Upon passage.

# Rhode Island

The Rhode Island General Assembly began its current session on January 1. To date, and of interest to NEPOOL Participants, three energy bills have been passed by the General Assembly and are awaiting signature by the Governor, three have been passed by one chamber and are under consideration by the other. The legislature is scheduled to adjourn in late June.

## ***Passed Legislation:***

### **1. AN ACT RELATING TO PUBLIC UTILITIES AND CARRIERS - RENEWABLE ENERGY GROWTH PROGRAM (Bill No. 2017-S-112)**

- This legislation would expand the Renewable Energy Growth Program (RE Growth Program) through 2029, which is an additional 10 years after the fifth program year. The RE Growth Program allows eligible renewable distributed generation projects to sell generation output under long-term tariffs at fixed prices to National Grid.
- This legislation would increase the annual target for renewable energy capacity sold to National Grid by 400 MWs, with an annual target of 40 MWs for each year in the 10-year extension period.
- Current Status: Passed the Senate on May 11; passed House on June 14; transmitted to the Governor for signature on June 14.
- EFFECTIVE DATE: Upon passage.

### **2. AN ACT RELATING TO TOWNS AND CITIES – STATEWIDE MUNICIPAL SOLAR PERMIT (Bill No. 2017-H-5575)**

- This legislation would provide a predictable and universal process for obtaining a single permit that encompasses both building and electric permits for solar photovoltaic systems with municipalities.
- Current Status: Passed the House on May 18; passed Senate on June 14; transmitted to the Governor for signature on June 14.
- EFFECTIVE DATE: Upon passage.

### **3. AN ACT RELATING TO TOWNS AND CITIES – STATEWIDE MUNICIPAL SOLAR PERMIT (Bill No. 2017-S-0562)**

- This legislation would require the Rhode Island Office of Energy Resources, in consultation with the building commission, to promulgate rules and regulations to create a statewide solar photovoltaic permit application.



- Status: Passed Senate on May 3, 2017; passed House on June 14, 2017; transmitted to the Governor for signature on June 14, 2017.
- EFFECTIVE DATE: Upon passage.

***Passed By One Chamber and Awaiting Consideration by the Other:***

**4. AN ACT RELATING TO STATE AFFAIRS AND GOVERNMENT - RESILIENT RHODE ISLAND - CLIMATE CHANGE COORDINATING COUNCIL (Bill No. 2017-S-0108)**

- This legislation would require the development of a plan by December 31 to study the effectiveness of the state and/or multi-state carbon pricing program to incentivize institutions and industry to reduce carbon emissions. The study shall include the effectiveness of allocating revenues generated from such carbon pricing program to fund enhanced incentives to institutions and industry for targeted efficiency measures, projected emissions reductions, economic impact to businesses, any economic benefits to Rhode Island, and impacts to the state's economic competitiveness if the program were implemented.
- Current Status: Passed the Senate on May 4; transmitted to the House Committee on Environment and Natural Resources on May 5.
- EFFECTIVE DATE: Upon passage.

**5. AN ACT RELATING TO PUBLIC UTILITIES AND CARRIERS - RENEWABLE ENERGY GROWTH PROGRAM (Bill No. 2017-H-5274)**

- This legislation would modify the existing distributed generation procurement legislation by increasing the annual target procurement for each program for the year 2020 through the year 2029 by an additional 40 nameplate megawatts above the annual target for the preceding program year.
- Current Status: Passed the House on June 6; referred to the Senate Committee on Environment and Agriculture on June 7 and that committee recommended passage on June 14.
- EFFECTIVE DATE: Upon passage.

**6. AN ACT RELATING TO PUBLIC UTILITIES AND CARRIERS- DISTRIBUTED GENERATION INTERCONNECTION (Bill No. 2017-H-5483)**

- This legislation would prohibit electrical distribution companies from charging an interconnecting renewable energy customer for system modifications that are not directly related to the interconnection, except accelerated modifications for which the developer is repaid when the modification would have otherwise been made.

- This legislation also provides for enhanced, specific timelines for completing interconnection studies.
- Status: Passed House on June 7, 2017; referred to the Senate Committee on Environment and Agriculture on June 8, 2017, and that committee recommended passage on June 14, 2017.
- EFFECTIVE DATE: Upon Passage.

# Vermont

The Vermont legislature began its current session on January 4 and adjourned on May 19.

## ***Enacted Legislation:***

### **1. *An Act Relating to Miscellaneous Energy Issues (Public Act No. 42) (H. 411)***

- This legislation adopts federal appliance and lighting efficiency standards so that the same standards will be in place in Vermont should the federal standards be repealed or voided.
- This legislation adopts federal standards for general service lighting that have been adopted by the U.S. Department of Energy.
- This legislation also authorizes the Vermont Public Service Board to apply the same rules governing bill credits and the use of those credits on the customer's bill that it applies to net metering systems for which applications were filed on or after January 1, 2017, other than any adjustment related to siting and tradable renewable energy credits.
- Current Status: Signed by Governor on May 22, 2017.
- EFFECTIVE DATE: May 22, 2017.

### **2. *An Act Relating to Rural Economic Development (S. 34)***

- This legislation commissions a report and pilot program to address statements made in testimony this past winter in the Senate Agriculture Committee by directors of several regional development corporations regarding high energy efficiency and energy demand costs in Vermont relative to other states.
- In preparing the report, the Commissioner shall consult with the Secretary of Commerce and Community Development, the energy efficiency utilities, the regional development corporations, the Public Service Board, and other affected persons.
- The report shall provide the Commissioner's recommendations on:
  - ❖ whether and how to increase the use by commercial and industrial customers of self-administered efficiency programs; and
  - ❖ the potential establishment of a multiyear pilot program that allows a category of commercial and industrial customers to apply the total amount of their Energy Efficiency Charge (EEC), for the period of the pilot, to investments that reduce the customer's total energy consumption.

- This legislation provides that the Public Service Board may establish by order or rule a volumetric charge to customers for the support of energy efficiency programs that meet the requirements of the legislation, with due consideration to the state's energy policy and to its energy and economic policy interests to maintain and enhance the state's economic vitality.
- Current Status: Signed by Governor on June 12, 2017.
- EFFECTIVE DATES: Upon passage (Section 3); January 1, 2018 (Section 7); July 1, 2017 (all other sections).

**3. *An Act Relating to the Public Service Board, Energy and Telecommunications (Public Act No. 53) (S. 52)***

- This legislation amends Public Service Board proceedings based on recommendations of the Access to Public Service Board Working Groups requiring statutory change.
- This legislation requires the Department of Public Service to submit a report by November 15, on the issue of deploying energy storage on the electric transmission and distribution system. Among other items, the report is required to:
  - ❖ summarize existing state, regional and national actions affecting deployment of energy storage;
  - ❖ identify and summarize federal and state jurisdictional issues regarding deployment of energy storage;
  - ❖ identify the opportunities for, the benefits of, and the barriers to deploying energy storage;
  - ❖ identify and evaluate regulatory options and structures available to foster energy storage, including the potential cost to ratepayers; and
  - ❖ assess potential methods for fostering the development of cost-effective energy storage in Vermont and identify challenges and opportunities.
- This legislation also changes the Public Service Board's name to the Vermont Public Utility Commission.
- Current Status: Signed by the Governor on May 30.
- EFFECTIVE DATE: July 1, 2017.

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