



VERMONT LEGISLATIVE  
**Joint Fiscal Office**

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## Fiscal Note

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### **S.305 – An act relating to miscellaneous changes to the Public Utility Commission**

**As recommended by the House Committee on Environment and Energy with Further Proposal of Amendment by the House Committee on Ways and Means**

#### **Bill Summary**

The bill would make some changes to the responsibilities of the Public Utility Commission (PUC). Of particular interest, the bill would make technical clarifications to certain fees related to energy storage facilities, expand the jurisdiction of the PUC, require a report focused on low- and moderate-income households, and establish new Energy Savings Account requirements.

#### **Fiscal Impact**

In isolation, S.305 is not expected to have a significant fiscal impact on State government in fiscal year 2025. However, other pending legislation may decrease the availability of existing PUC staff; an additional staff position may be needed to complete the work required by the bill.

#### **Potential Staffing Needs**

The bill would require the PUC to expand its work on clean energy and equitable electric rates. This alone would not require additional personnel, and S.305 does not create or fund any new positions. However, the PUC has expressed a potential need for a limited-service utility analyst position (approximately \$120,000 annually) to cover the cumulative work contained in S.305 and other pending legislation.<sup>1</sup> S.305 would require the PUC to look at expanding its jurisdiction to include thermal energy networks, propose a mechanism for equitable electric rates in a report due December 2025, and administer new Energy Savings Account requirements.

#### **Energy Storage Facility Fees**

Section 13 would amend 30 V.S.A. § 248c(d) to clarify the application fees for certain energy storage facility projects. The fees support the review of these applications by the Department of Public Service and PUC.<sup>2</sup> These fees are assessed for energy storage facilities that require a certificate of public good (CPG) from the PUC, which is applicable to utility scale facilities of 100 kW or greater.

Section 13 would make proposed smaller-scale energy storage facilities that require a CPG but have capacity

<sup>1</sup> Other bills that are pending require updating existing rules and would result in an increase in the number of Section 248 petitions (approval for projects including electric generation and transmission facilities) stemming from the increased in-state requirements.

<sup>2</sup> Revenues are allocated 60 percent to DPS and 40 percent to the PUC.

less than or equal to 1 MW eligible for reduced registration fees, if the facility will be located inside an existing building and won't require ground disturbance work or upgrades to the distribution system. Smaller-scale electric generation projects are already eligible for reduced fees under current law. Section 13 would also clarify the fee structure for co-located energy storage and electric generation facilities.

According to testimony from staff, the PUC doesn't anticipate that the changes will impact revenue in fiscal year 2025.<sup>3</sup> S.305 wouldn't change statutory fee amounts – it would simply update the fee structure to accommodate the emergence of larger-scale energy storage facilities. More energy storage facility projects will likely enter the pipeline in future years, but the volume and timing of future applications is unknown.

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<sup>3</sup> Testimony from Ann Bishop, Public Utility Commission, to the House Committee on Ways and Means. March 26, 2024.