

Vermont's Thermal Energy Networks Act

A demonstrated solution to help Vermont meet our climate goals equitably and effectively

House bills: [H.242](#) (filed in 2023) and [H.669](#) (updated version for 2024 session) | **Senate bill:** [S.252](#)

We can help many Vermonters enjoy the benefits of safer, healthier, reliable energy by employing Thermal Energy Networks, a demonstrated heating and cooling solution.

H.242/H.669 and **S.252** allow existing utilities as well as municipalities, businesses, energy co-ops, non-profits, and other community-based organizations to implement geothermal and other Thermal Energy Networks.

THERMAL ENERGY NETWORKS: Community-scale heating and cooling

Thermal Energy Networks use only local sources of thermal energy—shallow geothermal boreholes and waste heat from building ventilation systems and wastewater. Water-filled pipes in underground loops can both heat and cool an entire street or town center. The more buildings are connected, the more affordable and efficient it gets. More than just a heating and cooling solution, Thermal Energy Networks also reduce demand on the electric grid, shave electric peaks, and store thermal energy underground.

Other states have authorized utilities to implement these systems, including NY, MA, CO, and MN, with similar bills proposed in IL, MD, CA, WA and being considered in NJ, WI, and MI.

Operational from Toronto to Texas, geothermal and other kinds of Thermal Energy Networks are efficient, affordable, and resilient. Many campuses and communities, including in colder climates like ours, are already reducing emissions and lowering energy costs by using geothermal and other non-combusting thermal sources.

SUCCESSFUL LEGISLATION

H.242/H.669 and **S.252** are adapted from New York's [Utility Thermal Energy Network and Jobs Act](#), which:

- Passed unanimously in the Senate last year and was promptly signed into law,
- Was led by a surprising alliance of utilities, unions, and climate advocates, and
- Requires utilities to build Thermal Energy Networks, creating quality jobs.

VERMONT'S VERSION

H.242/H.669 and **S.252** are backed by a similar coalition of Vermonters united in support of making Thermal Energy Networks available to communities across the state. Our version creates a pathway for putting this clean energy solution to work in Vermont and:

- Authorizes all municipalities to provide Thermal Energy Networks without PUC approval or regulation, just as municipal water and sewer utilities operate under local control. This general statutory authority avoids the need for up to 250 local charter amendments.
- Allows existing utilities and other entities—e.g. businesses, developers, co-ops, non-profits, fuel dealers—to obtain PUC authorization to operate a Thermal Energy Network utility.
- Directs the PUC to supervise rates and quality of service for non-municipal Thermal Energy Network utilities as it already does for other utilities.
- Does not apply to campus, condo, and landlord/tenant properties where the owner provides a Thermal Energy Network to itself and its members or tenants.
- Does not require state funds or taxpayer dollars.

A KNOWN SOLUTION FOR A MORE EQUITABLE, SUCCESSFUL ENERGY TRANSITION

In Vermont, we can bring Thermal Energy Networks to more communities by allowing municipalities, existing utilities, co-ops, non-profits, and businesses to own and operate these systems. Affordable housing can be prioritized, and current fossil fuel workers can use comparable skills to build the interconnecting thermal systems.

Please share this handout and support the Thermal Energy Networks Act.

For more information on Thermal Energy Networks, visit vctn.org.