Chair Sheldon and Members of the House Committee on Environment and Energy,

I appreciate the opportunity to again provide testimony to the Committee on H.289 act relating to the Vermont Renewable Energy Standard. As a reminder, I am the General Manager for the Village of Hyde Park, including oversight of the Hyde Park Electric, Water, and Wastewater departments.

While my prior testimony may suggest that I do not support the merits and attributes of a Renewable Energy Standard, that is not a correct belief. I firmly believe that there are tremendous benefits that can come from a revised standard. We can provide for cleaner environment, financial rate stabilization, as well as resiliency to our community-based systems. Municipal systems like Hyde Park have historically and currently structured a diverse portfolio that will provide for clean energy for the next decade through 2034. As noted previously, over 90% of our entitlements are industry identified "clean energy" resources. These decisions were predicated upon the current RES. Altering the standard with the current proposal documented in H.289 will undermine those previous decisions and will cost our customers several hundred thousand dollars from 2030 through 2034. Our calculations indicate that our incremental cost for a new RES settlement will be approximately $537,000 over this period. For our customers that translates into a monthly charge of $6.83 per customer per month. You may recall from earlier testimony; it was reported that other utility customers would observe an incremental cost of $4.70 per month or lower. This means that Hyde Park customers will pay a rate at least 45% higher than the rest of the state. Given that Hyde Park also has a high poverty rate in the county, economically (and under the Environmental Justice Act), this will have an adverse effect on those customers. It is also important to recognize that some of our prior "clean energy" purchases will become stranded and those costs will still have to be paid along with new purchases having to picked up due to the new requirements.

Let me make the following observation, some of our power entitlements will retire by 2034 while other renewable entitlements will continue beyond. Therefore, if the H.289 provisions for entitlement increases and additional tiers can be held off until 2035, Hyde Park can make new decisions effective with the requirements for implementation no later than 2035.

Therefore, Hyde Park asks you to consider the following concept for the intervening period of 2030 to 2035 that will allow utilities like Hyde Park to not have to meet the new requirements until the start of 2035. The concept is based upon a federally recognized operational threshold of 4 Million MWH of sales. Within the federal government, e.g. Department of Energy, Energy Information Administration, and the Federal Energy Regulatory Commission, use the 4M MWH threshold to differentiate requirements between utilities. This concept provides for a minimal effect state-wide but locally will provide smaller utilities the opportunity to not be penalized due to the change in regulations.

I ask you to consider building the following concept into H.289:

> *For retail providers with annual electric sales of less than 4,000,000 megawatt-hours*[1]*, the amounts of total renewable energy required by this subsection shall not less than be 55 percent of each retail electricity provider's annual retail electric sales during the year*

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[1] The amount of 4,000,000 megawatt-hour sales is a federally recognized threshold on differentiating policies between types of public utilities.

*beginning on January 1, 2017, increasing by an additional four percent each third January 1 thereafter, until reaching 75 percent on and after January 1, 2032. By January 1, 2035, retail providers with annual electric sales of less than 4,000,000 megawatt-hours, amounts of total renewable energy required by this subsection shall be based upon 100 percent of each retail electricity provider's annual retail electric sales, inclusive of all requirements for the five category tiers.*

*For retail providers with annual electric sales greater than 4,000,000 megawatt-hours, the amounts of total renewable energy required by this subsection shall be 63 percent of each retail electricity provider's annual retail electric sales during the year beginning on January 1, 2023, increasing by an additional 10.6 percent each second January 1 thereafter, until reaching 100 percent on and after January 1, 2030.*

Let me offer that if this language does not inhibit a utility's ability to bring new entitlements onboard during the intervening period. Utilities, based upon their portfolios can build toward the goals outlined for 2035 and beyond, but will be able to do so without penalizing prior decisions.

Thank you for this opportunity to share these thoughts with you.