



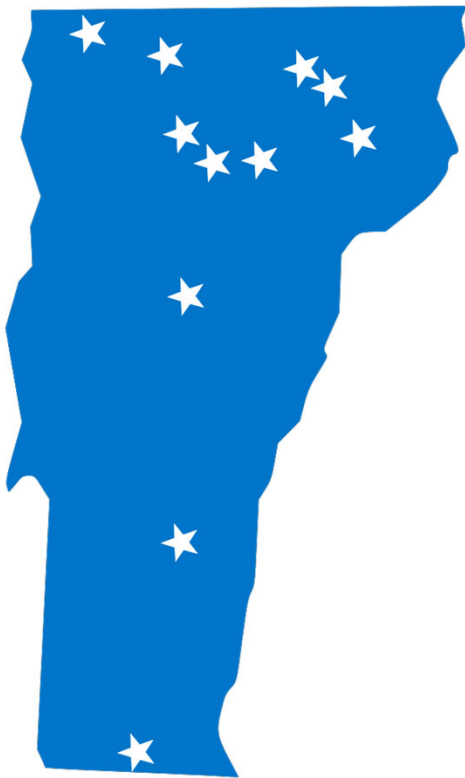
**House Committee on
Environment & Energy**

RES Working Group Report

January 11, 2024

Ken Nolan, General Manager

VPPSA Members



- **Barton Village**
- **The Village of Enosburg Falls**
- **Hardwick Electric Department**
- **Village of Jacksonville**
- **Village of Johnson**
- **Ludlow Electric Light Department**
- **Lyndon Electric Department**
- **Morrisville Water & Light**
- **Northfield Electric Department**
- **Village of Orleans**
- **Swanton Village**

About VPPSA: Our Services



-  **Power Supply Purchasing and Generation**
-  **Financial Services**
-  **Rates and Planning**
-  **Legislative and Regulatory**
-  **IT Support and Technology Upgrades**
-  **Communication and Outreach**
-  **GIS and Field Services**
-  **Renewable Energy Standard**
-  **Key Accounts Program**

VPPSA's Guiding Principles

Affordability

**Local Energy
Democracy**



**Community
is at the
Heart of
VPPSA.**

Reliability

**Sustainability
& Growth**

Thoughts on Working Group Process

- **Co-Chairs Representative Sheldon and Senator Bray created an environment allowing open, honest dialogue**
- **Working Group members were earnest in articulating their positions, reasoning, and driving principles**
- **The facilitation process drew out distinctions and helped define guardrails**
- **The process was not conducive to exploring the significant nuance involved in modernizing the RES structure**
- **The resulting report was instrumental in leading the majority of working group members to negotiate a proposed framework for changes**

Thoughts on Working Group Report

- **The body of the report does a good job capturing discussions and highlighting key points**
- **Legislative Counsel made a valiant effort to develop a draft Bill capturing discussions but could not infer important nuances**
 - VPPSA does not support the draft Legislative Counsel Bill
- **The framework proposed by the majority of committee participants in their comments is a reasonable starting point for committee discussions**
- **The framework was highly negotiated, with all signatories compromising.**
 - As a result it represents a delicate balance

VPPSA Principles in the Working Group

- **Changes need to maintain affordability for consumers**
 - As requirements increase, investment should move to the most cost effective solutions
- **Changes need to allow sufficient time for utilities to shift their power supply portfolios**
 - Decisions are made at least 3-5 years in advance
- **Historic utility investments that further the desired goals need to be recognized**
 - For VPPSA this is local hydro electric investments made decades ago
- **As Vermont's economy electrifies limited capital needs to be effectively deployed**
 - RES changes need to be balanced against system upgrade needs for electrification and costs for hardening the grid

VPPSA Compromise Position in the Framework

- **Total Renewable - 100% of load by 2035 with existing resource definitions**
- **New Renewables - 10% of load by 2035 and all load growth after 2035**
 - except for Swanton which is already 100% renewable
- **Distributed Energy - 20% of load by 2035**
 - except for Swanton which is already 100% renewable
 - Adding municipally owned hydro as a qualifying resource
- **100% Renewable Utilities (Swanton) - meet a portion of load growth with new renewables**
- **Changes to treatment of net metering**
 - Ending of group net metering
 - Allowing net meter RECs to be sold or used for compliance against any requirement

Conclusion

- **VPPSA is appreciative of the Working Group process and the space it created for constructive conversations**
- **The Working Group report accurately captures the significant conversations but lacks many of the nuances needed for effective legislation**
- **The committee should begin legislative efforts from the Framework submitted as a report appendix by a majority of working group members**
- **A draft Bill is presently being prepared by the framework signatories for committee consideration**

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Putting the Public in Power.

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