

REV Comments on 23-0107 Version 7.1

Every kWh of electricity generated by new renewables in Vermont reduces electricity generation from fossil fuel plants in New England

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Testimony to Senate Natural Resource & Energy Committee
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Summary of REV Comments on 23-0107 Version 7.1

- ▶ Moving to a 100% Tier 1 mandate without changing the underlying problems of unbundled RECs from old hydro and the lack of additionality in the RES isn't progress on fighting global warming
- ▶ A study alone is insufficient. A summer Legislative Working Group is needed
- ▶ Imperative that JFO act as the lead on any analysis that is undertaken



Moving to a 100% Tier 1 mandate without changing the underlying problems of unbundled RECs from old hydro and the lack of additionality in the RES isn't progress on fighting global warming

- ▶ It is a priority for VPIRG, Sierra Club, CLF, 350Vermont, VCV, VNRC, Rights & Democracy and REV that no legislation passes that moves to a 100% Tier 1 mandate before a comprehensive analysis of the impacts of RES changes is completed.
- ▶ Under the proposed bill language, until the net-metering capacity in a utility's service territory exceeded 10%, a utility could buy 90% of its power from fossil fuel power plants and then buy unbundled RECs from old hydro facilities to comply with the RES.
- ▶ Environmental groups have consistently opposed moving to a 100% Tier 1 mandate independent of other changes to the RES every year since 2020 when this concept was first introduced in SNRE.



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- ▶ The bill's proposal to only produce a study on distributed generation without the work of an off session Legislative Study Group on RES Reform is wholly insufficient to crafting the nuanced package of reforms that will be necessary to increase renewable energy use without adversely impacting electric rates
- ▶ Study should analyze 20% in state renewables by 2030 and not 2032 as the bill recommend proposes.
- ▶ The grid will not be ready for 30% in state renewables by 2032 as proposed. 2035 is more realistic.
- ▶ Study a 100% renewables mandate and not a “clean” or “carbon free” mandate.
- ▶ A 100% Tier 1 renewable energy requirement by 2032 as proposed in the bill is weaker than what GMP (2021 IRP) and VEC (Press Release, 4/7/2021) have already committed to. WEC and BED are already at 100% renewables
- ▶ Include the language from S.140 for stakeholder study on energy storage

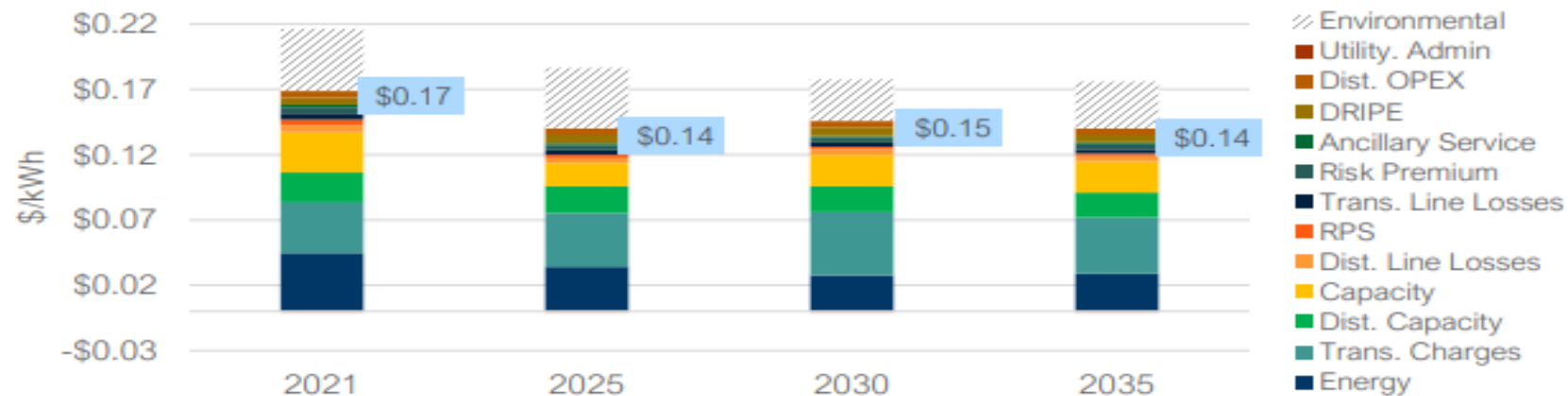


JFO Being the lead on the analysis

- ▶ DPS' modeling efforts in the NM rulemaking process, the NM biennial updates, and the Consolidated RES Model have all failed to quantify benefits of distributed generation such as reduced lines losses, avoided or deferred investments in distribution infrastructure, the co-benefits for societal electrification efforts of the system upgrades paid for by renewable project owners and benefits attributed to other programs.
- ▶ DPS' analysis frequently focuses on just the utility perspective and fails to consider the societal benefits of distributed generation by not incorporating the social cost of carbon into its analysis and failing to account for synergy between technologies such as distributed generation and storage and load management.
- ▶ These issues become increasingly critical in a highly electrified future with a rapidly expanding load to serve heat pumps and electric vehicles and their omission raises serious concerns about the DPS' capacity to lead an analysis of RES reform options.

NH Value of Distributed Energy Resources, Prepared by Dunsky for the NH DoE

Figure 11. Average Annual Avoided Cost Value for Residential West-Facing Solar PV Array Installed in 2021 (2021\$)^a



a. Totals shown are net values and exclude the value of environmental externalities

