

Date: March 11, 2014
To: Senate Finance Committee
From: Johanna Miller, VNRC Energy Program Director – jmiller@vnrc.org
RE: VNRC Testimony on S.201 — Draft Number 6.2

Thank you for the opportunity to speak with today.

With the support of our members VNRC has been working for over 50 years to protect Vermont's environment, build a strong, rural economy and promote a clean energy future. Balancing these goals — as you know — is not always easy. But, we believe striking that balance is essential, and its for this reason that we come before you today. While we appreciate the intentions behind this bill, we also have strong concerns about it as written.

We have long advocated for more, forward-looking planning and a stronger role for the public and RPCs in big decisions like energy siting. That is one of the reasons we called on the Governor to create the Energy Generation Siting Policy Commission. We believe there is an opportunity to balance different, important goals — better, comprehensive planning, public input, natural resource protection, renewable energy development and climate action. Unfortunately, as crafted, we think this bill falls short of those goals and could have real, unintended consequences.

VNRC also serves as the coordinator of the Vermont Energy and Climate Action Network — the network of over 100, primarily volunteer community energy committees across Vermont. I have worked closely with many towns — including Waterbury, whom we just heard from — to proactively support needed energy solutions that save energy, bring clean, renewable energy online and reduce greenhouse gas emissions. We also work with communities on (energy) planning to help identify strategies that balance different interests; community goals, natural resource protection and renewable energy development. It's not easy, but its essential.

REGARDING S.201:

- The changes under consideration in S.201 fall short of striking the balance we need to protect people, communities and natural resources and still do our part to develop renewable energy and address climate change. As written, S.201 could make it very difficult to develop clean energy projects in Vermont.
- As one of the lead organizations that called for the creation of the Energy Generation Siting Policy Commission, we are disappointed that little effort was made to utilize their well-considered package of recommendations when looking at energy siting solutions. The EGSPC's recommendations would have significantly changed the PSB process; given the public a more robust role in siting decisions, given regions a far bigger role in siting, made it easier to advance community-scale projects and far more.
- Regions and towns should plan towards helping to achieve state statutory energy and greenhouse gas goals as well as plan towards and be accountable to the

Comprehensive Energy Plan as a needed, cross-sectoral, comprehensive framework. Any siting bill should require such, and S.201 specifically does not.

- If regions are to play a far more substantive, active role in planning for energy use and generation, which we support, then it is incumbent upon the State of Vermont to provide them the resources to do that work well. Too often we place additional responsibility on RPCs without additional financial support. If we do that here, we could be setting them up to fail instead of playing a constructive, meaningful role in smart siting solutions.
- There is no accountability for regional plans since the Vermont Council of Regional Commissions was disbanded. That means there is no entity identified to examine and hold regional plans accountable to state statutory clean energy and greenhouse gas goals, as well as the publicly crafted Comprehensive Energy Plan. As well, the Legislature and the Public Service Department should play an active role in ensuring that regional and local plans are crafted to meet Vermont energy and climate goals. The state should not give regional and local plans greater weight in siting decisions without such accountability.
- We strongly support application fees and believe they are needed, especially to support the ANR's work in the Section 248 process. We want to ensure they are fair, but not overly burdensome, however and have some concerns that, as proposed in S.201, the proposed fee structure could be too high. We would like to work with the Agency of Natural Resources, PSD and others to better understand and come to a solution that works for all (or most).
- While we support the elevation of Act 250 criteria, we don't support their elevation over attention to climate change/greenhouse gas emissions, as currently written. We also have concerns that a site-specific impact could overrule renewable energy development that might offer significant greenhouse gas benefits and help meet climate goals.

In conclusion: How and where we build projects matters a lot, but to make it very hard to site new, needed clean energy generation in this day and age is irresponsible. We need real solutions that balance important, diverse interests. We also need to realize that the era of cheap energy produced elsewhere is over. Climate change is real and upon us and we must act swiftly — but smartly — to implement needed solutions.

It's for these reasons and the reasons I noted above that VNRC does not support S.201 as written. We hope to work with you all and many others to come up with the solutions we need to address some real, valid issues — as the sponsors of this bill were no doubt aiming to address.