



State of Vermont

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Agency of Natural Resources

January 28, 2014

TO: The Senate Committee on Natural Resources and Energy

FROM: Billy Coster, ANR Senior Planner and Policy Analyst

DATE: January 28, 2014

SUBJECT: Follow-up to 1/21/14 direct testimony

Senator Hartwell and committee members, thank you again for the opportunity to testify on behalf of the Vermont Agency of Natural Resources regarding S.201 and S.292 on January 21, 2014. During the course of my testimony, several committee members raised questions I was unable to answer before conferring with staff. I now have the answers to your questions and the purpose of this memo is to provide you with all the relevant information I could gather.

I believe Sen. Hartwell inquired **whether there have been projects reviewed by the Public Service Board where ANR recommended a permit be denied, but where the PSB issued a permit over ANR's objection.** As Sen. Hartwell suggested, Deerfield Wind is the one project our attorneys identified as clearly meeting this scenario.

In that docket, ANR's testimony and filings indicated that the Deerfield project would result in an undue adverse impact to the necessary wildlife habitat for black bear (bear scarred beech), caused by the direct impact of clearing 36 acres of regionally significant bear scarred beech habitat and the indirect impact on 569 acres from displacement caused by the operation and maintenance of the project.

ANR opined that because of the regional significance of the habitat, these impacts could not be mitigated by conservation easements or other measures.

The PSB disagreed and approved the project. The PSB found that although the project would result in an undue adverse impact to the important habitat, the undue adverse impacts could be mitigated by pre-construction acquisition of 144 acres of high elevation concentrated bear scarred beech habitat (to offset direct impacts) and a study on the effect of bears use of habitat on the project (to assess indirect impacts). ANR moved to alter or amend the decision, the PSB denied our request.

Sen. Rodgers requested that **ANR report on the staff time dedicated to the Seneca Mountain Wind project**. As I testified, since the project remains in a pre-development phase – with no petition filed with the Public Service Board – ANR has not tracked time as closely as we would once a petition is docketed. That said, the core staff involved in project review to-date have tracked their time and we can offer a conservative estimate for the time of other participating staff, resulting in a total of approximately 280 hours, which is equivalent to approximately \$12,300 in staff costs. It's likely that some of the costs associated with Dept. of Fish and Wildlife staff time would be covered by federal funding. If the applicant were to move forward with a petition, ANR would need to invest *substantially* more staff time in the review of the proposal, in site visits, propounding discovery, developing testimony, etc.

Please also note that this figure does not include all staff time associated with the Seneca MET tower petition. MET towers are permitted under Section 246, not Section 248 of title 30. Since ANR is not authorized to use bill back for Sec. 246 proceedings, we typically do not track our time associated with Sec. 246 dockets.

Sen. Snelling requested that I **provide the committee ANR's contribution to the Governor's Strategic Plan**. I have included with this memorandum a copy of ANR's Strategic Plan for the period 2011-2015; the ANR plan is organized along the Governor's statewide priorities, so you should be able to see how our sections feed into the overall administration plan. If you have any questions regarding these materials, I'm happy to provide more information or to speak with you directly.

Finally, Sen. Rodgers **requested that ANR perform a lifecycle analysis of the net greenhouse gas emissions of one of the state's operating commercial wind projects**, such as Kingdom Community Wind in Lowell. ANR is just beginning the process of developing a methodology for this type of analysis, so unfortunately I am unable to provide a clear answer at this time. I have identified the GHG analysis as a priority for our Air Quality Division and we will continue to develop the methodology and then work with the facility operator to gather data necessary to run the analysis. When I have more to report I will update the committee.

I hope this memorandum addresses the questions I was unable to respond to on January 21st. If there are questions from committee members that I have overlooked in my response, I apologize, and I ask that you identify those questions so I can quickly provide a response. Please do not hesitate to contact me directly with any follow up questions or clarifications. Thank you for your interest in these matters.