

To: Vermont Legislature, House Natural Resources and Energy Committee
From: Sandra Levine, Conservation Law Foundation
Date: February 3, 2015
Re: H. 40 – Renewable Energy Standard and Energy Transformation

Conservation Law Foundation supports H.40 and its three main components.

- Better integration of Vermont renewable energy with the broader regional renewable energy markets;
- Improves growth of smaller scale renewable energy in Vermont;
- Facilitates broader energy transformation and reduction in fossil fuel use.

Climate change continues to be the biggest environmental challenge of our generation. Like many other big challenges, it also creates big opportunities.

The proposed legislation is particularly helpful in how it brings together a variety of tools to move toward both increased renewable energy and reducing fossil fuel use.

1. Total Renewable Energy:

- Clear requirement to retire renewable credits and eliminate the double-counting of renewable energy credits.
- Brings VT more in line with renewable requirements in other New England states.
- Vermont still has expansive definition of renewable energy.
 - *Require phasing in retirement of Vermont generated renewable credits to increase regional supply of renewable power.*
- Power that does not have tradeable renewable energy credits (e.g. HQ system power):
 - *Separate category of “contracted renewable resources” to be more consistent with other states and avoid diluting value of tradeable renewable energy credits.*
 - *Limit to 40-55 % of the total renewable requirement to be more in line with other states’ 20-30% renewable requirements that exclude large hydro.*

2. Distributed Renewable Generation (DRG):

- Beginning at 1% and rising to 10% is reasonable and achievable.
- Important to include net metering projects that remain available to customers throughout Vermont.

3. Energy Transformation:

- Enables Vermonters to acquire additional energy resources to reduce GHG emissions in coordinated fashion.
- Continue as requirement that is separate from distributed generation or renewable.
- Provide clear coordination with existing energy efficiency programs.