

Renewable Energy Vermont - suggested changes to H. 40 . February 4, 2015				
Tier / Page	Issue	Current Language	Proposed Language	Questions / Solutions
N/A	Need to clearly set forth the "why" of this bill.	N/A	There should be some language that calls out the overarching goal of this bill... "To ensure that Vermont's energy needs continue to be met in a fair, equitable manner that can withstand ongoing weather events, and to achieve the goals established in section 8001 of Title 30 through the policies set forth in Sections 202(a) and 202(b), the general assembly finds it necessary to build a modern, efficient electrical grid capable of incorporating significant distributed renewable energy, combined heat and power systems, ensuring customers can participate in self-generation, while managing load through time-of-use demand management and least cost planning..." the following bill is proposed...	
TIER I - page 15, line 17-18	Leaves the potential for Vermont to become overly reliant on one power source	"...a provider may use renewable energy with environmental attributes attached or tradeable renewable energy credits generated by any renewable energy plant whose energy is capable of delivery in Vermont"		REV suggests a safeguard or "collar" language be added to ensure that no one fuel/facility becomes the overwhelmingly dominant supply for Vermont (both energy and RECs)

p. 4 (17)(A)	Clarification of Definitions			Language should be added to include " <u>food residuals</u> " on line 8 after "wastes". This is in keeping with the current farm methane (or "cow power") technology and will support Legislatures 2012 Universal Recycling Act.
Tier II, p. 40 (ii)	REV seeks to ensure that REC's sold or transferred to a utility from net-metering for Tier II compliance are given fair and appropriate value. This fair valuation is vital to maintaining net metering as a program open to all Vermonters.	(ii) if the customer transfers the attributes to the interconnecting provider, requires the provider to retain them for application toward compliance with sections 8004 and 8005 of this title	<u>(ii) if the customer transfers the attributes to the interconnecting provider, requires the provider to retain them for application toward compliance with sections 8004 and 8005 of this title and provide the customer an appropriate value for such attributes."</u>	

Tier II	Language to make it explicit to the Board that net metered systems provide the base of the DG Tier and Vermonters must have the opportunity to net-meter.	p. 38-39	<p>Sec. 12. 30 V.S.A. § 8010(c) is amended to read:</p> <p>(c) In accordance with this section, the Board shall adopt and implement rules that govern the installation and operation of net metering systems.</p> <p>(1) The rules shall establish and maintain a net metering program that:</p> <p>* * *</p> <p>(F) balances, over time, the pace of deployment and cost of the program with the program's impact on rates; and</p> <p>(G) accounts for changes over time in the cost of technology; and(H) allows a customer <b><u>to permit and install a net metered system under Section 8004 and 2005 of this title</u></b> and retain ownership of the environmental attributes of energy generated by the customer's net metering system and of any associated tradeable renewable energy credits or to transfer those attributes and credits to the interconnecting retail provider, and:</p>	
---------	---	----------	--	--

Tier I potentially impacting NM in Tier II	REV seeks to ensure that REC's sold or transferred to a utility from net-metering for Tier II compliance are given fair and appropriate value. This fair valuation is vital to maintaining net metering as a program open to all Vermonters.	N/A	(2)(B)(ii) (lines 17 - 20 on page 17): (B) Definition. As used in this section, "distributed renewable generation" means the following: ... (i) .... (ii) "a net metering system approved under the former section 219a or under section 8010 of this title if the system is new renewable energy and the interconnecting retail electricity provider owns and retires the system's environmental attributes <b>and those attributes are valued at the market rate established for all retail electricity providers.</b> "	The provision that allows certain providers to contract for 100% renewable power in Tier I and sell any Class I environmental attributes, exempting themselves from participation in Tier II, could have consequences that extend beyond this RESET program and into the environmental benefits valuation of net metering.
p.41, line 1-5 states: relates to Tier II	REV believes there should be general consensus around instructing the Board to develop a second, longer term net metering incentive value, should any exist, that recognizes the dual benefit of better project financability and better long term economics for ratepayers.	<u>(F), the Board shall consider the length of time over which to make the credit available and the relationship of that amount and length of time to the customer's ability to finance the net metering system, to the cost of that financing, and to the net present value to all ratepayers of the net metering program.</u>	<u>(F), the Board shall <b>make any credit also available for an optional longer length of time if it improves the customer's ability to finance the net metering system and the net present value to the provider and ratepayers.</b></u>	Language attempts to make clearer that a long term credit shall be considered.
Tier III p. 6 lines 5-13	biomass heating should be added as a tool within the Energy Transformation tier	<u>(25) "Energy Transformation project" means an undertaking that provides...Examples of energy transformation projects may include home weatherization or thermal energy efficiency measures:</u> " -	<u>(25) "Energy Transformation project" means an undertaking that provides...Examples of energy transformation projects may include home weatherization or thermal energy efficiency measures; <b>biomass heating systems;</b></u>	

N/A	To ensure the end result of the Energy Transformation Tier results in a balance of cost-effectiveness, greenhouse gas emission reductions and energy reduction, the following language should be amended.	209(d)(1) currently reads: (1) Programs and measures. The Department of Public Service, any entity appointed by the Board under subdivision (2) of this subsection, all gas and electric utility companies, and the Board upon its own motion, are encouraged to propose, develop, solicit, and monitor energy efficiency and conservation programs and measures, including appropriate combined heat and power systems that result in the conservation and efficient use of energy and meet the applicable air quality standards of the Agency of Natural Resources. Such programs and measures, and their implementation, may be approved by the Board if it determines they will be beneficial to the ratepayers of the companies after such	Update 209(d)(1) (and as appropriate in 209(d)(2)) to read: (1) Programs and measures. The Department of Public Service, any entity appointed by the Board under subdivision (2) of this subsection, all gas and electric utility companies, and the Board upon its own motion, are encouraged to propose, develop, solicit, and monitor energy efficiency and conservation and <u>greenhouse gas reduction programs</u> and measures, including appropriate combined heat and power systems that result in the conservation and efficient use of energy and meet the applicable air quality standards of the Agency of Natural Resources. Such programs and measures, and their implementation, may be approved by the Board if it determines they will be beneficial to the ratepayers of the companies after such notice and hearings as the Board may require by order or by rule. The Department of Public Service shall investigate the feasibility of enhancing and expanding the efficiency programs of gas utilities and shall make any appropriate proposals to the Board.	This would help to clarify that we are not only reducing energy consumption but that we are reducing energy consumption AND greenhouse gas emissions. I.e. electric cars powered by oil may be better than an internal combustion vehicle, but the best would be an electric car running off renewable electricity. Similarly, upgrading an oil furnace to use less oil is a good efficiency measure but not as good as weatherizing the home and then heating with local, sustainable wood pellets that have a lower greenhouse gas emission component.
-----	---	---	--	--

<p>(Page 31 line 18 to page 35 line 13)</p>	<p>Biennial Report - should start in 2019 and should allow for other stakeholder involvement</p>	<p><u>"The report shall summarize the energy transformation projects undertaken pursuant to section 8005 of this title, their costs, their claimed avoided fossil fuel consumption and greenhouse gas emissions, and, if applicable, claimed energy savings.</u></p>	<p><u>"The report shall summarize the energy transformation projects undertaken pursuant to section 8005 of this title, their costs and <b>benefits</b>, their claimed avoided fossil fuel consumption and greenhouse gas emissions, and, if applicable, claimed energy savings. <b>The report shall also consider the costs of not having a RESET program with regards to fuel price volatility, grid upgrade costs, overall energy dollars leaving the state"...</b></u></p>	<p>This report should include other stakeholders and also be a more comprehensive analysis of the benefits and costs of the RESET program.</p>
---	--	--	--	--

N/A	<p>"Recognizing the Standard Offer program has delivered solar at half the cost of the modeling (projects at ~\$0.12 fixed for 25 years), and that Vermont's energy goals will require large commercial building development that currently is not happening, REV proposes the Standard Offer program be expanded to include an additional competitive bid amount equal to the program's annual allocations specifically for commercial rooftops and brownfields. If projects do no bid in a cost-competitive manner, the allocations for the given year will go unused."</p>			Add language.
-----	---	--	--	---------------

	<p>To incent renewable deployment on large commercial rooftops, brownfields, or industrial locations, the Board should be directed to develop an incentive to address the potential increased costs and often decreased production (in the case of rooftops) of these sites through the net-metering program.</p>			<p>Add language.</p>
--	---	--	--	----------------------