



pg 8	(b) Rules and procedures	<p>The board shall adopt the rules and procedures that are necessary to allow the Board and the Department to implement and supervise further the implementation and maintenance of a renewable portfolio standard. In its rules, the Board may allow a provide that has met the required amount of renewable energy in a given year to retain tradeable renewable energy credits created or purchased in excess of that amount for application to the provider's required amount of renewable energy in one of the following years</p>	<p>1. line 18 - used "renewable portfolio standard" is this intentional &amp; consistent.  2. banks for only 2 years not 3</p>	<p><b>1. Request 3 years - offers greatest flexibility protects against unnecessary rate impacts (not a big deal)</b>  *** 2. Request unlimited banking for tier 3. There are no RECs to sell any over compliance with the tier should be able to count in future years – no reason to incent limiting deployment of projects. (very important)</p>
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pg 9	( c ) Alternative compliance payment (ACP)	<p>In lieu of purchasing renewable energy or tradeable renewable energy credits or supporting energy transformation projects to satisfy the requirements of this section and section 8005 of this title, a retail electricity provider in this State may pay to the CEDF established under section 8015 of this title an alternative compliance payment at the applicable rate set forth in section 8005.</p>	<p>ACP to CEDF - recommend one change</p>	<p>ACP from tier 3 should be used to provide incentives for transformation projects for customers in the utility service territory.</p>
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Sec. 3 RESET Program Categories  
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pg 15	1. (A) Purpose: establishment	To satisfy this requirement, a provider may use <b>renewable energy and environmental attributes attached or tradeable renewable energy credits generated by any renewable energy plants whose energy is capable of delivery in Vermont</b>	This language captures HQ's renewable attributes	Use this language in definition of renewable energy
pg 15	(B) Required amounts	The amounts of total renewable energy required by this subsection shall be 55% of each retail electricity provider's annual sales during the year beginning January 1 2017, increasing by an additional <b>one and one-third percent each subsequent January 1, until reaching 75% on and after January 1, 2032</b>	Increasing by 1 and 1/3% every year rather than 4% every 3 years limits flexibility	For tier 1 only request the underlying language be kept in so that the requirement would need to be met each third January 1 until reaching 75% on and after 2032. <b>Every 3 years the requirement goes up 4% - this offer greater flexibility for power planning - less reporting requirements - example: output from wind/solar could be low one year and robust the other - helps to balance out.</b>
pg 19	(C) Eligibility criteria.	(C) For an energy transformation project to be eligible under this subdivision (a)(3): ii. The project shall (II) meet the need for its good or services at the lowest present value life cycle cost, including environmental and economic costs; and (III) <b>cost less per MWH than the purchase of tradeable renewable energy credits for distributed renewable generation</b>	What is this saying? Innovative projects can easily cost more than "RECS" - Innovation is not the least costs and could be more than Renewable Energy - <b>this could limit Transformation Projects. For example If in a year RECS market could drop dramatically would it put a halt to Innovation tier?</b>	I understand there is new language to clarify - 2. In addition we recommend adding language that gives the PSB ability to allow for demonstration or pilot projects that have higher costs.

pg 20	( E) Other sources:	(i) An enegy transformation project under this subdivision (3) shall deliver services through persons other than a retail electricity provider unless one of the following applies: (I) Service delivery through the provider is more cost-effective than delivery by another person or there is no person other than the provider willing and able to deliver the services	This reads as giving all business to non-utility unless utility can come in at a low price. The intent of this language is to encourage utilities to partner with other businesses and organization - in the same way that GMP is presently doing it.	Delete this language - cannot legislate partnerships -
pg 22	(F ) (4) Alternative Compliance	(A) The alternative compliance payment rates for the categories established by this subsection (a) shall be: (i) total renewable energy requirement -\$0.01 per kWh; and (ii) distribted renewable generationand energy transformation requirements - \$0.07 per kWh	(i) .01 per kWh (tier 1) (ii) .07 for tier 2 -	<b>Tier 2 at .06 - reduce rate impact in the event for whatever reason resources are not available. .06 is orignal level recommended by PSD</b>
pg 25	(d)	Low-impact hydropower. A hydroelectric renewable energy plant shall be eligible to satisfy the distributed renewable generation or energy transformation requirement only if, in addition to meeting the definition of distributed renewable generation, the plant is and continues to be certified by the Low-impact Hydropower Institute of Portland, Maine	Does required certification by the Low-Impact Hydropower Institute of Portland, Maine - impact hydro facilities that could otherwise count toward tier 2?	This does not apply to Tier 1?