

Submitted April 14, 2016 to the Vermont House Natural Resources and Energy Committee, regarding S230.

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I'd like to start with some words of appreciation for the sincere, hard work put in by our Vermont legislators - and particularly those Representatives on this committee, who have to deal with an incredibly complex and mind-bendingly convoluted Act 230 as passed by our Senate.

My name is Dotty Kyle. Many of you may have seen me in attendance at a variety of energy-related hearings, meetings and conferences with my husband, Eric Brattstrom. Eric and I constitute the Warren Energy Committee and are the primary authors of the Energy Chapter of Warren's Town Plan. I am Warren's Town Energy Coordinator and President of the Mad River Community Solar Farm, a member-owned LLC developed by Aegis Renewable Energy. It went on line last December and is helping to power 22 local residences and 3 local businesses. In addition, Eric and I have 12kW of rooftop solar on our home and, to feed the needs of our 3 cold climate heat pumps and our plug-in Prius, we helped in the successful development of the 150kW Mad River Community Solar Farm in Waitsfield.

Because of my lengthy involvement in energy policy as an ordinary Vermont homeowner, I've spent a lot of time, particularly in the past few weeks, delving into the details of energy laws, rules and regulations in Vermont and elsewhere. I've found the details of S230 complicated, confusing, contradictory and confounding. And I've got a pretty good head on my shoulders.

My plea is that you weed out the chaff, decide what really needs to remain to guide Vermont homeowners and renters, small and large developers and small and large utilities to meet the challenges of the rapidly changing climate and its related economy. And write it in clear, understandable English, with consistent definitions of terms and acronyms that are currently indecipherable to many people.

I'm not a tax expert or a financial wizard. I'm a retired career YMCA CEO and more recently, a VT Owner/Innkeeper, I understand business development, capital needs and profit motive. I'm a homeowner who did the math and found that my desire to do the right thing for the Planet started at home - these were conservation, efficiency, and investment in clean, renewable energy.

The proposals in S230 will make it financially unfeasible for investors in community-scale projects, 15-150kW in size, to buy in - and worse, could put local solar developers out of business by increasing their costs dramatically.

If I could wave a magic wand, I'd make dramatic changes to the net metering sections of S230. First I'd hold up voting on this bill until Town Plans are in place that specify how towns will help Vermont meet its energy goals stated in the CEP. I would make no changes in the existing regulatory scheme until then - (except for the PSB lifting the cap on renewables). I firmly believe that until VT towns and cities feel that they have a real say and have skin in the game, we'll see continuing nimbyism and make no progress. There's some good backup for that idea in Belgium's recent wind development experience. Industrial scale developers from outside the country proposed building a lot of wind turbines and the locals went berserk. Local developers took up the mantle and got local homeowners to take ownership of the turbines and the protests went away. I think you would find the same result with community scale solar in Vermont.

As I mentioned, I am one of the authors of the Energy Chapter of Warren's Town Plan. It opens with this sentence: "The purpose of this Chapter is to help Warren residents to understand and plan for climate changes ahead and to work to meet the State of Vermont's Comprehensive Energy Plan (CEP) goal of 90% renewable energy by 2050." I have a copy of the report with me. The full text can be found on Warren's web site, warrenvt.org and there's a lengthy addendum on the Energy Committee's web pages, energy.warrenvt.org

If S230 must be voted on, I'd recommend dramatic changes to the proposals regarding net metering adjustments. I can see rewarding preferred sites, but why can't towns put into their plans a mandated x (whatever number relates to the size of the town or city) sites they are ready/willing to see developed for projects up to, say, 300 kW of locally owned community solar. That's just 2 acres for a 150 kW array and 4 for a 300 kW array. Not every town has the "preferred" type of project site, and fewer have clear written community standards for preferred solar siting as currently outlined in S230.

Why are homeowners penalized - those who want to do the right thing and save \$ on their electric bills - but don't have a roof that's facing south? They're equally unlucky if their roof is too old to sustain an array for 25 years, or live at a site with tall trees, or maybe they're renters who have to foot their own electric bills. Why are these groups treated differently than those who have the ability to install roof-mounted solar? These net-metering category adjustors are unrealistic.

I can see some merit in siting adjustors, but I sure can't see why folks who own panels as part of a group are lumped together in the same category with developer-owned, or utility-owned arrays.

I also have a big problem understanding why there is a penalty for folks in Community projects who choose to retire their RECs, thereby keeping the environmental attributes of their solar farms. Why can't these be counted as additions to Vermont's Renewable Portfolio Standard? What is the rationale for instead being penalizing? GMP says they need the sales of RECs to keep the costs to rate-payers low. But there is no published

information about those sales. That's fine for the utility's bottom line, but it sure isn't fine for Vermont homeowners or businesses who want to reduce their carbon footprint. And how much do REC sales actually reduce rates? Without more transparency to the process, it is impossible for the consumer to tell.

So I'll bring back the magic wand and see if we can get some changes made:

I ask that no changes be made at this time to net metered or group net metered projects, either here or across the street at the PSB, with the exception of some sweeteners (not subtractions from others) for preferred siting. And please, PSB, raise the cap!

I ask that the REC market be clarified, defined and tracked and that community-scale projects, less than either 300 or 150 kW, be exempt from adjustor-penalty if they choose to retire their RECs and certify that choice in perpetuity via their operating agreements or CPGs or some other vehicle to which penalties can be attached for noncompliance.

I ask that the siting categories be refined so that community-scale projects wholly owned by Vermont home or business owners (whether their primary residence is in VT or elsewhere) are treated the same as rooftop solar owners.

Seems to me these are fairness issues. Some may ask about fairness to non-solar customers, that they are being asked to subsidize the add-ons for solar electricity producers. There are arguments to be made on both sides of this issue, but until there is some concrete tracking that's published, we can only speculate on the true value of home-grown electricity. My vote is for the power from the sun and a belief that the imminent deployment of battery back-up for solar is going to make that argument moot.

It's a bit premature to throw the baby out with the bathwater.