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Mr. Chair, Madam Vice Chair, Congressmen and Women, Thank you for this opportunity to address you this morning.

My name is Mary Boyer and I live in Windham, where I have served as Select Board Chair for the last seven years

While this committee has been charged with looking at siting of all kinds of generation, Windham has chosen to comment today because we are dealing with the prospect of an industrial scale wind development for the second time since 2004. The subject as you might imagine, has had our close attention for more than 10 years. We are grateful for the chance to share some of our concerns and observations today. The fact that H377 has four sponsors from all over Vermont would indicate to us that siting has become an issue of increasing concern.

We have watched these projects damage the ridge lines, woodlands and watersheds of affected towns and with them, in some cases, the very precious sense of community of the towns themselves. In other cases neighboring towns have been set against each other when one sees only hosting payments and the other sees extreme threats to their environment, heritage and physical and financial well-being. When the essence of mountain communities is permanently altered, with too little input from those most directly affected, many of their residents are left angry and feeling injured.

What we now understand is that no one is at fault but you as well as we are all burdened by our history.

Traditionally the construction of new power generation capacity was a result of the planning by regulated utilities to provide needed amounts of power reliably and affordably. Utilities had to prove the need for the project and defend its economics. What makes things so different and so challenging today is that now the development of new generation is primarily a site-driven process most often initiated by private, non-utility interests and fueled by extravagant tax and financial incentives. In essence a single landowner with a good location in

partnership with a developer with deep pockets can change the natural and social landscape of an entire region almost overnight.

Section 248 was created to make it possible for utilities to develop facilities for which they could prove necessity in terms of adequate supply or grid stability. 248 abridged some of the authority granted to towns in Act 250 in order to insure that the increasing demand could be met in a timely way. But the authors of Section 248 never contemplated the emergence of merchant power and the speculative development of renewable energy sources. As a consequence the regulatory tools 248 contains are inadequate for today's challenges.

This change has come about because, Vermont like the rest of the the country, has undergone a departure from the traditional regulation of electric utilities. Deregulation was meant to unleash capital markets and make more investment dollars available for the formerly regulated industries (like telecom and electricity) and their related technologies. The evidence in many cases is that deregulation has been a good thing and the goal of better access to capital has been achieved. In accomplishing that goal we have also significantly empowered developers of merchant power, and electricity is now a commodity to be sold to the highest bidder. An unintended consequence of deregulation is that we have disempowered the public by changing the goals of the regulatory process and have abandoned many of the safeguards that it provided for the public good.

As you well know, historically, the members of the Public Service Board were the guardians of an adversarial process which in general served the public well. The requests for new generation always began with a demonstrated need for new generation or transmission. Some utilities felt the process was needlessly arduous but the system was imposed on them in return for the convenience of operating as monopolies as long as they fulfilled the necessities of reliability, quality and affordability. In fact in many states what we call our "Certificate of Public Good" was called a Certificate of Necessity and Convenience.

As that system was dismantled the regulatory process was turned upside down; and the public now sees itself cast as a largely impotent, third party observer to a dialogue between developers and regulators. For small towns to participate in the dialogue is technically intimidating and financially devastating.

To further complicate matters our current energy plans and goals rest on the assumption that all renewable energy is good simply because it is renewable. There is mounting evidence however that the drivers in this viewpoint are political and financial rather than environmental.

Although the money and the politics are kept well behind a veneer of talk about environmental benefits, we are ignoring two central questions about renewables: Will they reduce our carbon emissions? And, are they the most cost effective way to deliver clean energy to consumers? Building new renewable energy

generation plants on hundreds of fragile acres which are our best defense against the potentially disastrous effects of climate change needs further study. To enrich a few land owners and developers at the expense of rate payers, our ecology, our headwaters, our quiet nights and dark skies is, in my view at least, a highly questionable interpretation of “the public good”. Especially when we consider that, at least in the case of industrial scale wind in Vermont, the performance has not approached the promises.

I would like to invite you to examine some other vital questions and make them part of the public dialogue:

Specifically:

What are the factual foundations of the environmental and economic assumptions reflected in our state energy goals and policies?

What has been the history of GHG emissions from electricity in Vermont compared to other states and to New England over the last 3 decades? What are those emissions now, and what are the best ways to keep them down?

What portion of New England’s energy portfolio would be provided through maximum build-out of renewables in Vermont? In other words, how much difference can we make and at what cost to our own environment?

Who is the “Public” in Public Service; and what exactly is the “Service?” If serving the ratepayers and residents of Vermont is defined as providing the cleanest available energy at the least cost consistent with reliability and stability, then the kinds of speculative development we are now seeing needs very close examination. In this context we would ask you to consider that in the absence of a clearly proven need for new generation to meet demand or improve grid stability then what are our priorities and should speculative generation projects be treated as land use issues and covered under Act 250.

We are operating today in a virtual frenzy of development of large generation projects in the name of the environment. It is a paradox to see it happening in a state where fast food and big box stores face insurmountable permitting obstacles and where there is not a billboard to be seen.

If I may switch gears, I’d like to say a little about VT’s leadership. Our leadership is reflected in the fact that all over the world we are uniquely known as a beautiful state that has protected its natural resources. No small thanks to the enlightened decisions of several generations of people who sat in the seats you occupy today. I happened to be in Barcelona during the 9/11 attacks. For days afterwards people from many nations would stop us on the Los Ramblas with hugs and tears and say ‘I’m so sorry, so sorry.’ Then they would ask us where we were from. “Vermont”. Their first reaction was always enthusiastic, “Oh,

beautiful, green”. Then they would ask “and where is that?”. They often didn’t know if we were on the east coast, west coast or somewhere in the middle, but they knew we were beautiful.

Perhaps Vermont has also shown it’s greatest leadership in protecting the democratic values the country was founded on. Although it’s easy to forget when we come to Montpelier, it’s true that Vermont government begins at the Town Level. With no intermediate county layer between you and us we have a strong yet flexible system of government. It has proven durable over two centuries, although it gets a little creaky now and then. I mention our form of government because in closing I want to make a comment on a tool which we request be central to your deliberations.

A principal instrument of protection for our environment, our community values and our democracy is the Town Plan. A Town Plan is a Social Contract among the members of a community. The purpose of the Plan is to set out an agreed upon vision for the future land use within the context of a town’s history, setting, resources and community values. That agreement is set out in the Plan as clearly and unambiguously as language will permit so that no single member of the community, whether resident or absentee owner, can distort, destroy or dominate the intent or execution of that shared vision through inappropriate land use. The Planning Commissions across the state spend an average of two intensive years of VOLUNTEER TIME in a process of self reflection that is highly democratic and has contributed enormously to the character of Vermont and all that we can be proud of. We believe that the protection of valuable lands and the preservation of our natural and cultural heritage are the concerns that are at the heart of most town plans, and so their importance cannot be overstated. Town Plans should be of special concern in siting decisions and consequently have an elevated status in the Public Service process.

Windham offers these comments to the committee on behalf of the small towns who are now or may be faced with extraordinary changes in their natural, social and economic environments resulting from the sudden and speculative development of energy projects: be they wind, solar, biomass, geothermal, etc.. Be they large or small.

In all likelihood, most of us in the room today are here because of the enlightened leadership of men like George Aiken and Arthur Gibbs. They cared enough to grapple with the tough issues of their changing worlds and we today are the beneficiaries of their care and concern. I came here today because I care. And I came here today because I know you care as well, deeply.

Thank you for your time. I’ll try my best to answer any questions you may have.

