

To: Vermont Legislature, Senate Natural Resources and Energy Committee
From: Sandra Levine, Conservation Law Foundation
Date: April 17, 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 but also has a high requirement.
- 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’ treatment of large hydro and to avoid diluting the value of tradeable renewable energy credits that Vermont sells.*

2. Distributed Renewable Generation (DRG):

- Beginning at 1% and rising to 10% is reasonable and achievable.

3. Energy Transformation:

- Enables Vermonters to acquire additional energy resources to reduce GHG emissions.
- Appropriately a separate requirement from distributed generation or renewable energy.
- Utility efforts should be clearly coordinated with Vermont’s Energy Efficiency Utility to avoid duplication and maximize savings.

4. Energy Efficiency:

- Remove Sec.14a which caps the energy efficiency charge.
- Efficiency resources continue to be half the cost of generation.
- Cap unreasonably limits the supply of Vermont’s cleanest and lowest cost resource.