SIERRA CLUB
VERMONT CHAPTER

COMMENTS OF THE VERMONT SIERRA CLUB
ON S. 230, THE ENERGY DEVELOPMENT AND IMPROVEMENT ACT

Mr. Chairman, members of the committee, thank you for the opportunity to testify today.

I'm Stephen Crowley, conservation chair and energy committee member with the Vermont Chapter of the Sierra Club. On behalf of the Sierra Club's nine thousand plus members and supporters in Vermont, we support sound programs to encourage energy efficiency and responsible renewable deployment.

By way of background, The Vermont Sierra Club has been following the development of energy policy in Vermont and elsewhere for many years. Through testimony and collaborative efforts, the Sierra Club has participated in debates on power purchase from the hydro projects of Hydro-Quebec, implementation of efficiency programs, utility restructuring, nuclear waste, Vermont Comprehensive Energy Plans, and more. A decade ago, I believe I was the one witness testifying, in House Natural Resources, that the SPEED program was flawed because it allowed double counting of renewables, and would delay implementation of a true RPS by a decade or more. Testimony that, unfortunately, proved correct. As part of the national Sierra Club Global Warming and Energy team, I led the campaign to push

Climate and Energy to become the top priority for the organization. I chaired that national clean energy campaign for several years, giving me an opportunity to study and contribute to the development of energy policy in states from Maine to Hawaii. I convened the task force that brought together the Sierra Club's very diverse perspectives on development of wind power, which created the Club's national policy on wind power siting.

We are glad to be able to comment today on the issue of renewable energy development in Vermont. The Sierra Club is strongly committed to the deployment of renewable and carbon-free energy. We believe the state's policy goal of achieving 90% renewables by 2050 is essential, ambitious , and achievable. This degree of commitment, we hope, is sufficient to steer clear of the worst of the climate change scenarios. Anything short of this is not good enough.

We have reviewed S. 230, as introduced, along with the recent amendments, and the recommendations of the Siting Commission, as well as much of the testimony available online. Hopefully you'll consider our observations and suggestions as you deliberate. We'll begin with the provisions of the original bill.

Involvement of Local and Regional Government. Through much discussion over the last few years, the siting commission report, and now recently proposed amendments to S.230, planning has moved to center stage for renewable energy development.

We strongly support this shift. It is appropriate that communities and regions play an important role in developing their renewable energy future. However, in our view, there remains an overriding public need, embodied in the goals of the Comprehensive Energy Plan and elsewhere, that steer our state to the right side of history at this critical time. Falling short on renewable energy goals or carbon reduction goals is not an option. State-endorsed municipal or regional plans must come together to meet these goals. Therefore, we strongly recommend that

municipal and regional plans obtain their status for "substantial deference" in CPG proceedings ONLY IF there is a finding by the Board or Department that their plan is (a) in strong conformance with the necessary state energy goals, and (b) over the years, deployment of renewable energy is on track to meet appropriate interim targets. If that finding of conformance can't be made, then those plans should be a consideration by the PSB, but lose their substantial deference status. We do feel there is room for regional sharing of these goals, so that the meeting of regional deployment targets could stand in for strict local conformance.

It's worth stepping back from the specifics for a minute. In our view, good planning mandates taking a very hard look at our energy system. What are we using the energy for, what forms of energy are we using, what does it look like when we make the shifts from fossil to non-fossil sources, which, in many cases, will mean more electricity, not less? And then, where is it going to come from? It is our belief that, for a regional energy plan to have sufficient strength and quality to support such an important role in the CPG process, it must represent a valid working pathway to the 90% by 2050 goal. Over time, this must be evidenced by on-goal progress, with measurable interim targets. Municipal plans will need to merge into a regional plan; regional plans into a state-wide plane, far more specific than the Comprehensive energy plan we now have. Other regions in the US and other countries around the world have developed sophisticated, whole-system modeling tools being used to perform these tasks. The new regulatory model described here will not work without that kind of tool.

We feel the Solar Siting Task Force has done an excellent job in developing a roadmap for a stronger role for regional planning in a sustainable energy future. We look forward to seeing how this emerges.

Agricultural Land. We need to start recognizing that land that has the potential to support agriculture is a very precious resource. While many of the worst impacts of climate change are waiting in the future, one area where we can witness impacts

today is the devastating droughts that are affecting some of our nation's richest food production areas. Vermont, on the other hand, is expected to continue to receive abundant rainfall. We should be vigilant in ensuring that agricultural soil is seen as an essential component of climate resiliency. Certainly, solar development is not the only threat to preservation of agricultural land. An appropriate response to a changing climate requires both development of quality renewable energy resources and access to future food sources.

Act 250 or Section 248? We do not support proposals to shift any electricity permitting to the Act 250 process.

- One critical difference between the two is the criterion of Public Good inherent in the 248 process. This recognizes that services such as electricity are so essential that a balance must be found between this and the more narrow criteria of Act 250. We believe that this creates a real and appropriate distinction between 250 and 248.
- As a matter of practice now, the PSB embodies substantial expertise in the complex matter of public utility regulation. Act 250 board and commissions also demand a separate body of expertise, which has been served well by the combination of staff and appointed commissioners. We do not believe it would be in the public interest to move responsibility for these matters to the Act 250 arena.
- The division of permitting for single projects between act 250 and section 248 seems highly burdensome to all involved.

Public Assistance Officer. We strongly support the idea of a Public Assistance Officer, and feel its role is well defined in the bill. The Public Service Board is, after all, reviewing Certificates of Public Good. The process can be difficult to follow, and mistakes have enormous consequences for participation. Transparency Officer is a good title for this job.

Eminent Domain. On the issue of eminent domain, we like this provision. We believe it says that if any developer anticipates using the eminent domain process, they need to keep everything on the table, with no secret deals such as those that have plagued the process with the gas pipeline proposed for Addison County. We support the eminent domain provision, as it provides a level playing field for all. One commenter has suggested this provision further opens the door for expanded use of eminent domain. If that were the case, we would not be enthusiastic in support for such a provision.

3-phase Line Extensions. We have mixed feelings about the ratepayer funding of 3-phase line extensions. First, we think the definition of a 3-phase line is missing important engineering language. Three wires alone is not a 3-phase line, you need the phasing. We know what is meant, but we suggest using an engineering definition.

We are concerned that the mandate for ratepayer funding of line extensions is too open-ended and that "undue adverse effect on the aesthetics" is a challenging standard to measure. We do support this concept up to a point: there definitely can be a public good in utilizing less obtrusive sites, as long as other values are not being compromised. As noted in the WEC testimony, this cost could become a substantial burden on a utility and their ratepayers, far out of balance with the benefits. In any case, we feel this should not be automatic (the bill's language says "on petition... the utility shall provide"), but the potential cost to ratepayers should be considered as part of the Board's public good evaluation. Perhaps through rule the PSB could define a cost percent or per kwh cap, under which this extension cost could be more readily presumed to be within the public good, and justifiably passed along to ratepayers. Aesthetics is tricky: while the visual impacts of renewable energy facilities are contested, many people see solar installation as a natural and visually desirable continuation of Vermont's working landscape tradition. We expect that as the next few decades of solar deployment take place, there will be additional

common lines that will make even some of the more remote locations reasonably accessible.

Decommissioning Fund. We strongly support the idea that energy projects, particularly larger projects, should account for their own decommissioning. We also respect the testimony, given by professionals in the field, that much of decommissioning will be driven by the inherent value of the materials. This may not include the concrete, and some other things, and we're definitely not convinced this will all be true in 2, 3, or 4 decades when the time comes to move on. The bill's language, we believe, calls on the Board to figure this out, and we support that. Returning land to greenspace should be part of the cost of the technology.

Preferred Siting. (written prior to regional planning amendments introduced) We strongly support incentives for utilizing previously developed structures and spaces for the siting of arrays. There is no question that there are hundreds or thousands of acres of such space. It is essential that we utilize this opportunity, and providing this incentive is a good start. We support expanding the percentage, beyond one third, if the will and opportunities exist. We also support revisiting the cost structure sooner than three years, to make sure that the opportunities are being utilized. Finally, when a stronger regional planning role is realized, we suggest that regions be empowered to establish incentives that reflect regional priorities that may go beyond those listed in S. 230. But there must be a word of caution. Achieving our goal of 90% by 2050, or even 25 by 25, will push the limits of what we'll easily define as "preferred." Yes, go with those previously disturbed sites, but know that will just get us started.

(addendum) It must be kept in mind that deployment of renewable energy generation, to achieve the 90% goal, will be extensive. It will be far greater what we can imagine today. For electricity alone, meeting 90% of today's load would mean 30 MW/year of new renewable deployment. That's 6000, 5 MW rooftop installations every year, or instead by some larger installations such as industrial

wind turbines or solar fields. That's probably just ⅓ of the need, considering capacity factors. Planning and incentives can start with these previously disturbed sites, but it won't take long (a decade?) before we need to go well beyond this. By then, though maybe we'll have the technology that turns every south side of every building into a solar electric generator.

Colocation. We do support the concept of a municipality identifying a preferred site, or multiple preferred sites. We feel this is appropriately done only through a process, either local or regional, that supports attainment of the state's 90% by 2050 renewables goal. We would also support providing incentives to support locating on those sites, although it seems possible no incentive will be needed aside from the opportunity of a good site with greater assurance of success at reduced cost. We do not, however, feel this should taint other sites in that municipality with a "less than desirable" label, or for some in the municipality to seek to interpret that way. We do not support the reduction in bill credit for systems located outside the designated tract, or any stronger showing regarding serving the public good than already exists.

CONCLUSION. This committee is faced with a daunting task, and we want to express our appreciation to you for taking this on. We are facing a changed world, and we as a state and as individuals must do our part to prepare for that. We can't expect such fundamental changes to an essential yet complex system to be easy, or even to get them right every time. So again, thank you.