



Darren Springer, Chief Operating Officer
Testimony on Miscellaneous Energy Bill
Senate Committee on Natural Resources and Energy

March 29, 2017

S. 51

- Burlington Electric Department (BED) continues to support the total energy approach and goals of S. 51
- BED strategic plan has a goal of achieving net zero energy for City of Burlington

Standard Offer

30 VSA 8005(a)(k)(2)(B) - A retail electricity provider shall be exempt and wholly relieved from the requirements of this subdivision if, during the immediately preceding 12-month period ending October 31, the amount of renewable energy supplied to the provider by generation owned by or under contract to the provider, regardless of whether the provider owned the energy's environmental attributes, was not less than the amount of energy sold by the provider to its retail customers.

Renewable Energy Standard (RES)

30 VSA 8005 (b) Reduced amounts; providers; 100 percent renewable.

(1) The provisions of this subsection shall apply to a retail electricity provider that:

(A) as of January 1, 2015, was entitled, through contract, ownership of energy produced by its own generation plants, or both, to an amount of renewable energy equal to or more than 100 percent of its anticipated total retail electric sales in 2017, regardless of whether the provider owned the environmental attributes of that renewable energy; and

(B) annually each July 1 commencing in 2018, owns and has retired tradeable renewable energy credits monitored and traded on the New England Generation Information System or otherwise approved by the Board equivalent to 100 percent of the provider's total retail sales of electricity for the previous calendar year.

BED Eligible for Standard Offer Exemption

- BED was an early mover/adopter on renewable generation under the previous SPEED program
- Both Standard Offer and RES recognize in statute that early adopters who reach 100% renewable generation (Standard Offer) and 100% generation/RECs (RES) should be exempted from some requirements designed to drive development of additional renewables
- BED first became eligible for Standard Offer exemption this past October 2016

BED Generation Resources

- BED either owns or contracts for power (pre-REC sales or purchase) from following renewable generation sources:
 - ▣ McNeil wood chip plant;
 - ▣ NYPA hydro;
 - ▣ VEPPI hydro;
 - ▣ Sheffield wind;
 - ▣ Georgia Mountain wind;
 - ▣ Winooski One hydro;
 - ▣ NextEra hydro;
 - ▣ Hancock wind (Maine);
 - ▣ Hydro-Quebec hydro;
 - ▣ Burlington solar projects (airport, Pine Street, South Forty)

Standard Offer Challenges

- BED/Burlington is host to just one Standard Offer project, a 26.4 kilowatt solar project at Leunigs
- Standard Offer program allows wheeling charges from host utilities to other purchasing utilities based in part on how much generation is hosted by a particular utility
- BED is at a disadvantage for hosting projects under current parameters of program, designed to seek lowest-cost locations for projects
- Under current transmission fee structure, BED pays disproportionate fees

Proposed Next Steps

- PSB memo cited need for statutory exemption to perhaps include REC requirement, which if designed similar to RES, would provide certainty that exemption is achieving environmental benefits
- BED supports the idea of a PSB workshop on Standard Offer program to address concerns
- BED does not support retroactively changing exemption criteria for utilities currently eligible, which could put early movers/100% renewably-sourced utilities at disadvantage inconsistent with original intent of exemption

Thank You!

- Questions?
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