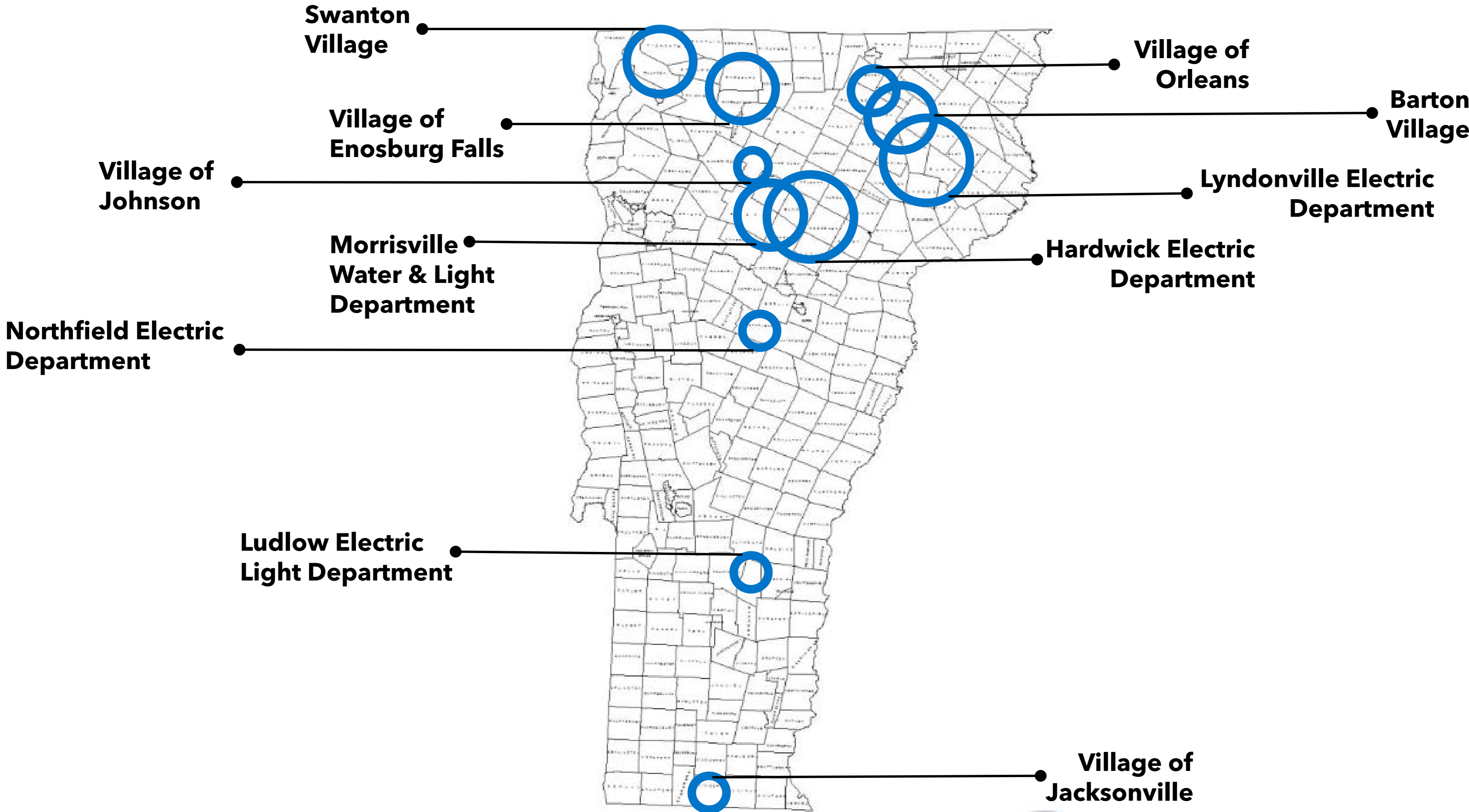




## S. 267 Testimony

# Where We Work



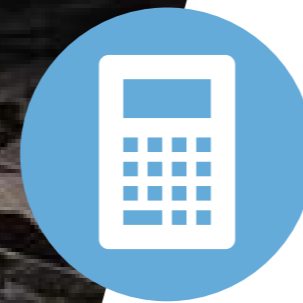
# What We Do



**Power Supply**



**Financial Services**



**Rates and Planning**



**Legislative and Regulatory Assistance**



**IT Support**



**Communication and Outreach**

# VPPSA Position on Vermont's Energy and Climate Policy

- **VPPSA is supportive of meeting state energy and climate goals in the most cost-effective manner.**
  - Climate Crisis requires that we be efficient with scarce public resources.
    - How do we achieve the most at lowest cost?
  - Comprehensive strategy across **all** energy sectors is needed.
- **Cognizant of who benefits and bears the cost of energy policies**
  - Minimize and target "cost-shifting."
  - Will unregulated private entities maximize public benefit?
- **To the extent practical, bring cohesion to state policies.**
  - Increasing costs in electric sector *undermines* emissions reductions.
  - All in-state generation will have accompanying environmental impacts.

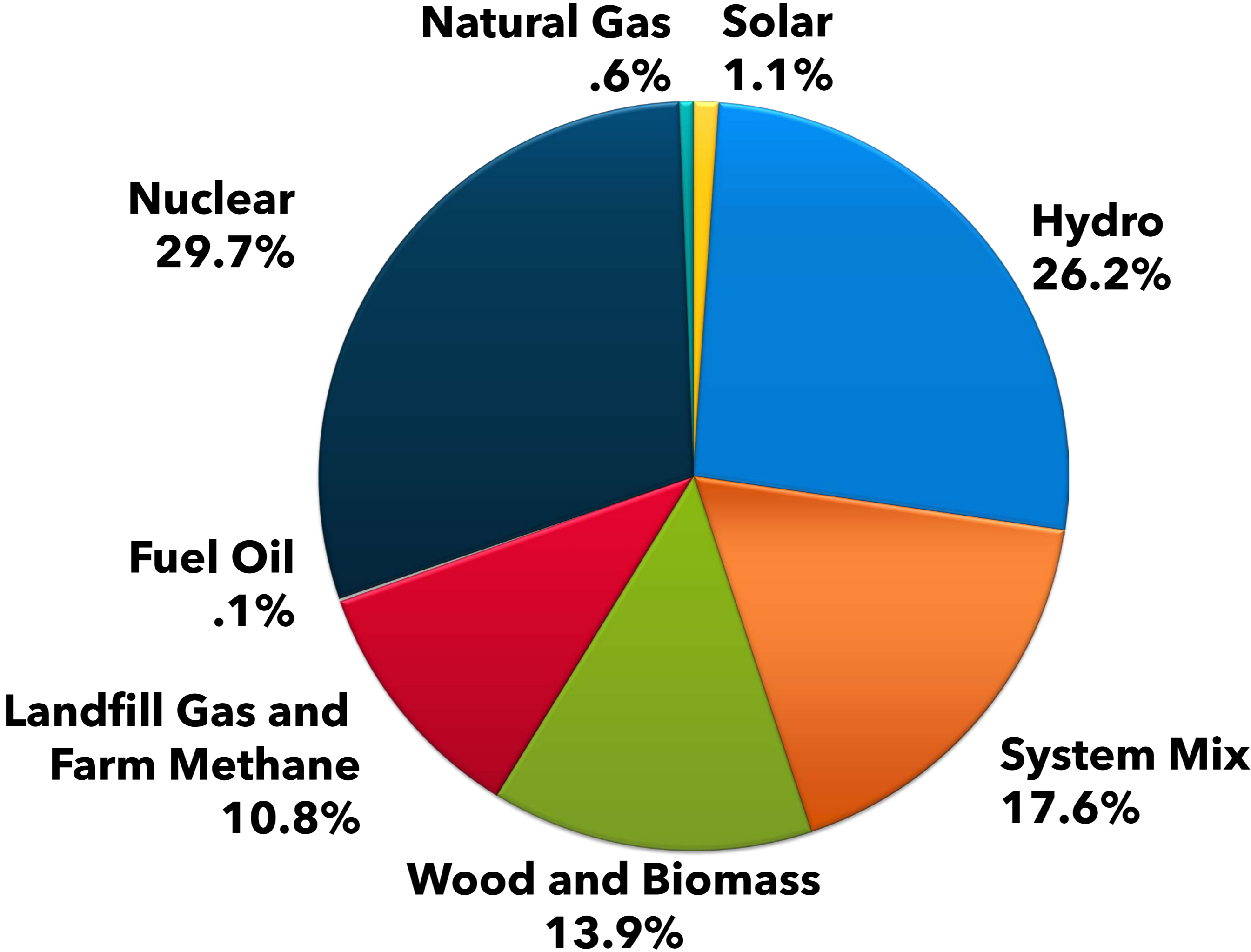
# VPPSA on Position S. 267

- **VPPSA supports increasing renewability in the electric sector (Tier 1).**
  - This will ensure carbon reductions as other sectors electrify.
- **Doubling the Tier 2 requirement will increase costs and raise siting and grid concerns.**
  - VPPSA would support this bill if cost pressures were mitigated and a diversity of resources were encouraged.
- **If modified to recognize the importance of existing, community-owned resources, VPPSA is supportive of the bill.**
  - Value *existing* renewable resources and keep in-state generators viable.

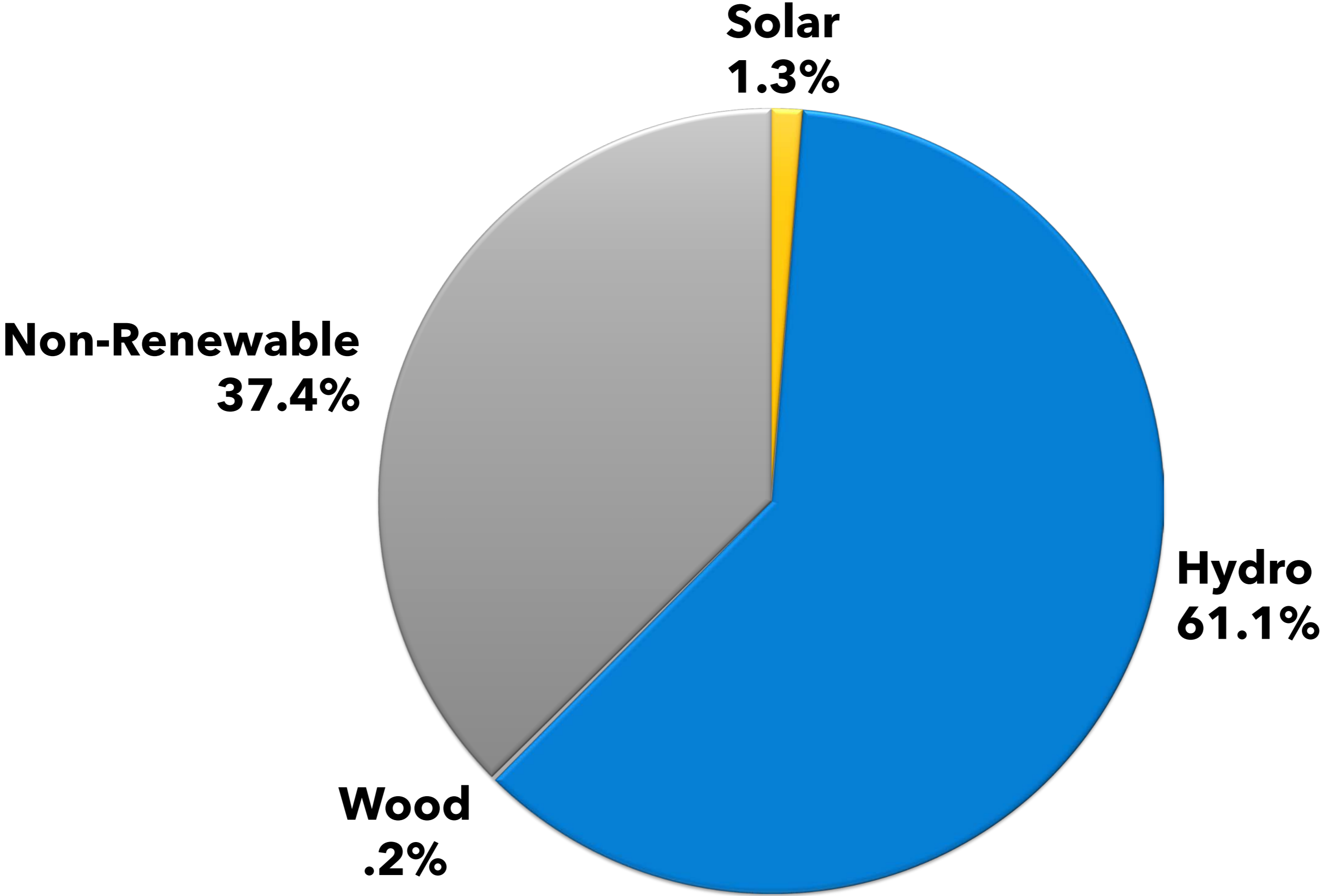
# S. 267 Considerations

- **Goals of the Bill?**
  - Support in-state generation and clean energy jobs.
    - Carbon reduction as a secondary goal?
- **Cost pressure in the electric sector will undermine state climate goals.**
  - Increasing electric costs will make it more difficult to electrify heating and transportation.
  - Recent data indicates the electric sector accounts for 2% of emissions but comprises 23% of household energy costs.
- **Resource diversity**
  - Complementary load shapes from different technologies are desirable.
  - Incremental value of solar is decreasing; cost of net metering exceeds value.

# VPPSA 2018 Power Supply Portfolio



# VPPSA 2018 Renewable Energy Standard Compliance



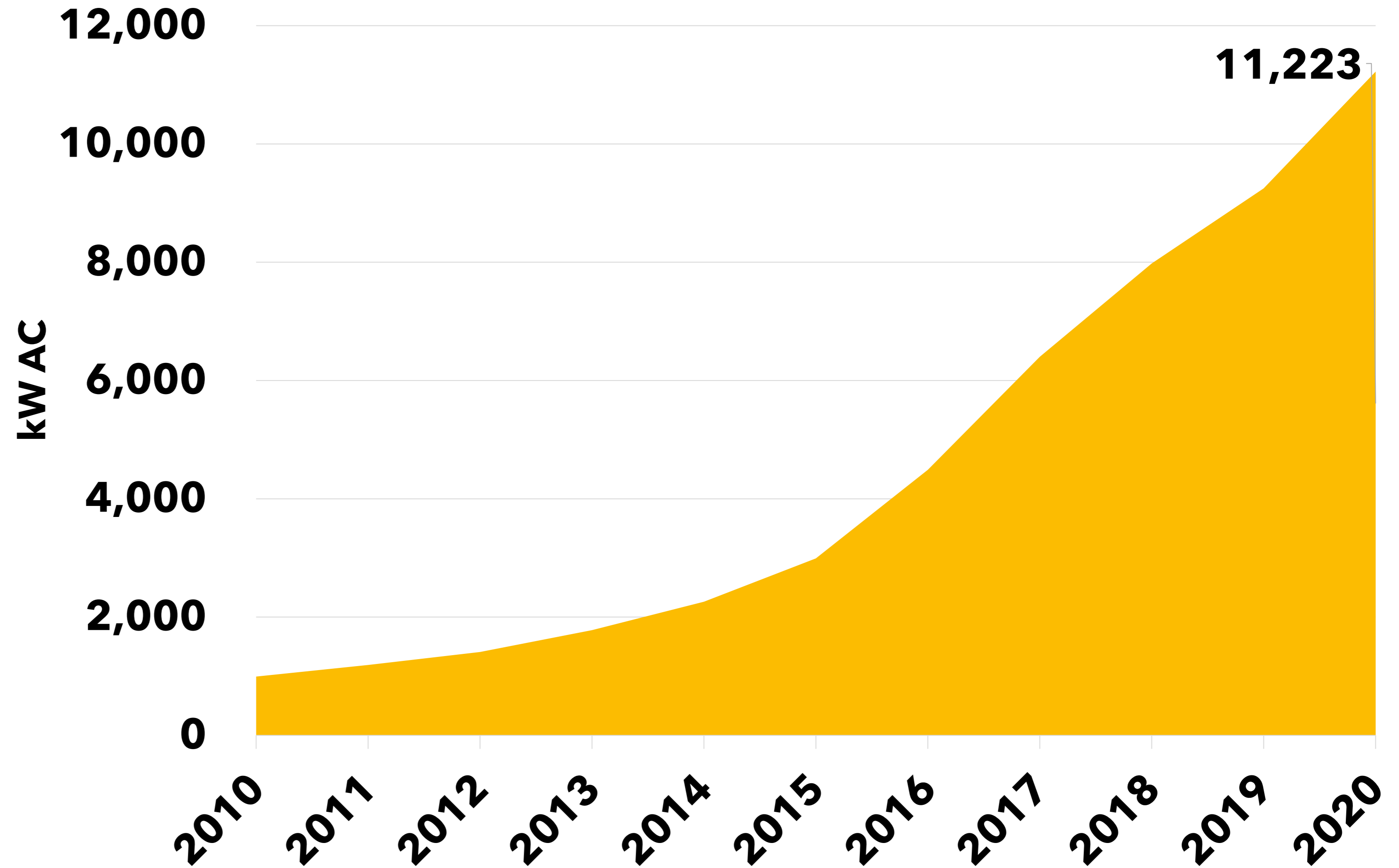


# VPPSA Net Metering Deployment

## By Member

Utility	kW AC
Barton	207
Enosburg Falls	2,001
Hardwick Electric	2,021
Jacksonville	154
Johnson	559
Ludlow	191
Lyndonville	2,471
Morrisville	1,334
Northfield	999
Orleans	50
Swanton	1,235
TOTAL	11,223

### Cumulative Net Metered Capacity by Year



# VPPSA Solar Projects

## Bone Hill:

- Northfield
- 1.25 MW
- October 2020

## Lawrence Brook:

- Morrisville
- 2.2 MW
- March 2020

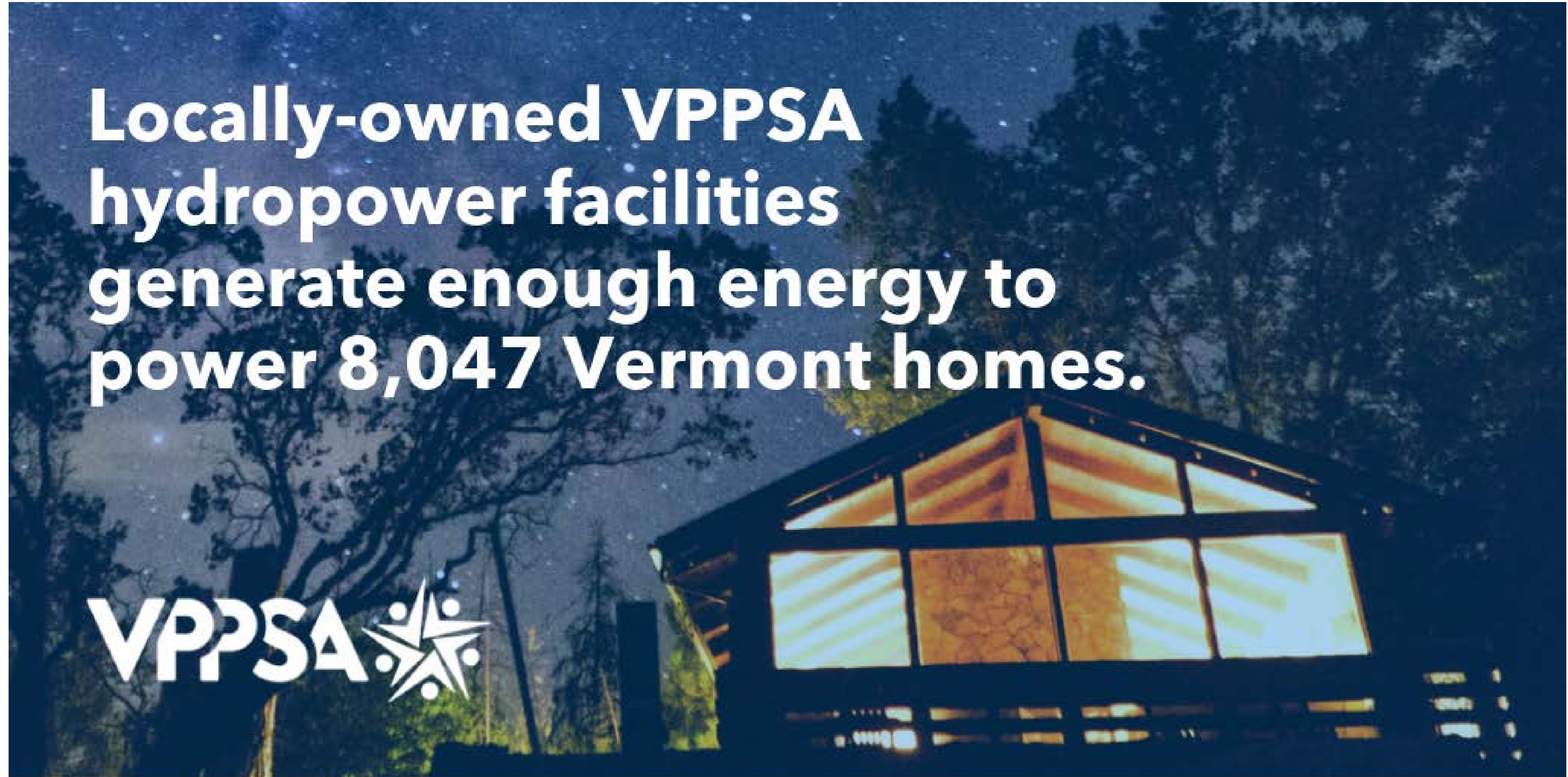
## Billings Road:

- Hardwick
- 1.62 MW
- October 2020



# VPPSA on Position S. 267

**Locally-owned VPPSA  
hydropower facilities  
generate enough energy to  
power 8,047 Vermont homes.**



# VPPSA Member Owned Hydro

## Benefits:

- Local
- Renewable
- Low-cost
- Complements solar generation

## Challenges:

- Output reduced 30-40% in recent relicensing
- Lost revenue to community
- Harder to meet renewable energy goals

Utility	Unit Name	Capacity (MW)	Generation as % of Load
Barton	Barton Hydro	1.300	23.9%
Enosburg	Enosburg Falls	0.975	12.6%
Hardwick	Hardwick Wolcott Hydro	0.815	8.1%
Lyndonville	Great Falls & Vail Hydro	2.022	7.1%
Morrisville	HK Sanders Hydro	1.800	2.0%
Morrisville	Cady's Falls Hydro	1.300	7.3%
Morrisville	Plant #2 Hydro	1.800	9.6%
Swanton	Highgate Hydro 1-4	11.392	73.6%
Swanton	Highgate Hydro 5	0.572	4.4%

# VPPSA on Position S. 267

**The Orman Croft Generating Facility has been community-owned since 1915. Today, it allows Swanton Village Electric Department to be 100% renewable.**



# S. 267 Recommendations

- **Add existing, community-owned hydro generators to the definition of Tier 2 resource.**
  - Value *all* in-state renewable generation.
    - RECs will be kept in the state, ensuring the benefits flows to Vermonters.
  - Locally-owned hydros benefit communities.
    - Financial benefits are shared among ratepayers.
    - Low-cost resources embedded in Vermont communities for more than 100 years
  - Competing State environmental policies have led to *decreases* in local hydro generation.
    - Bring conflicting policies into better alignment
    - Added value will increase investment in hydro plants.

# S. 267 Recommendations

- **Establish the same limit on large hydro for all utilities.**
  - Promote fairness to ratepayers.
  - HQ is an important low-cost baseload resource.
  - Legislators deemed HQ renewable.
- **Set broad policy that promotes resource diversity**
  - Let regulated utilities to accomplish policy in least-cost, equitable manner.
  - Allow utilities to minimize costs by exercising control over siting and negotiating price.

# Questions?

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***Putting the Public in Power.***

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