

Department of Public Service

SFR/ARPA Projects Proposed and/or Underway

Mobile Wireless Cell Coverage

\$50 million

The Department proposes a \$50 million project to improve mobile wireless cell coverage. The funding would be used to plan a network of 100 multi-carrier macro cellular installations to be deployed in areas around the state without coverage. The project would be funded through an appropriation of Vermont's share of the Capital Projects Fund.

Support for Electric Service Upgrades

\$20 million

to Facilitate all Vermonters Participation in Clean Energy Transition

The basic level of electric service, the internal wiring, and service panels for homes is essential for enabling fuel switching to electric technologies such as heat pumps and electric vehicles. Necessary upgrades in these areas may be a barrier to future clean energy technology adoption.

This funding would focus on providing financial and technical assistance for income sensitive Vermonters to upgrade electric service, including internal wiring and maximum service level (i.e., upgrade to 200-amp service). Addressing this barrier is identified as an action throughout the Comprehensive Energy Plan and the Climate Action Plan (CAP); the CAP categorizes it as a high impact and enabling action.

The funding would be invested in coordination with Weatherization and other programs (although not directed to OEO for distribution along with Weatherization) so that those Vermonters most in need, and most unlikely to otherwise implement such enabling upgrades – particularly if their household was recently weatherized. This will have benefits to long term affordability for Vermonters, increase resilience and economic activity, and create a more just energy transition. A rough estimate of \$3,000 per household for 15,000 low to moderate income households would require a budget of \$45 million.

Load Management

\$2 million

Load management is a key strategy for optimizing our utilization of the clean energy derived from existing renewable assets, and includes strategies related to energy storage and flexible and grid-interactive loads (such as electric vehicle chargers and heat pumps), at both the utility- and customer-scale. Specifically, this funding would likely be invested in one or all of three key areas: customer-facing incentives targeted for income sensitive Vermonters for beneficial electrification, load control and management platforms to enable smaller municipal and cooperative utilities to capture and share benefits of load management, and municipal back-up electricity storage installations.

Low-Income customers would be able to access incentives and incentive rates to purchase electric equipment for heating, cooling, and transportation in areas of the state, particularly where solar and other renewables have saturated the available headroom on the electric infrastructure, and where additional renewable development is constrained without expensive upgrades. The beneficial electrification equipment would be paired with controls and upstream platforms, also supported by funding to the extent eligible, operated by utilities (or third parties in partnership with utilities) to “soak up” renewable overgeneration, as well as provide operational flexibility for utilities to manage the grid in a manner that avoids costly regional transmission and capacity charges. The Public Service Department currently has a Request for Information (RFI) out to spend \$5 million of currently allocated ARPA dollars for this purpose (subject to the Legislature’s approval); this RFI would inform use of the additional allocation. Grid evolution is a core theme of the Comprehensive Energy Plan and was highlighted in the electric chapter of the Climate Action Plan as a core pathway to enable meeting climate requirements.

Affordable Community-Scale Renewable Energy Program

\$5 million

Request has been made to use General Funds instead of ARPA via Budget Adjustment, due to the desire to make these funds sustainable (i.e., not one time use but invested to be used again). House did not move the funds. If remain ARPA funds, program will be redesigned. A workshop with utilities is being planned to flesh out program in either instance.

Funding to be allocated by Clean Energy Development Board

\$5 million

CEDF Board designed, ARPA Questionnaire and FFP submitted and awaiting approval of funds.

- a. Home heating incentives for low- and moderate-income households via the Small-scale Renewable Energy Incentive Program (\$1.M)
- b. A grant to an entity (chosen via an RFP) that will provide comprehensive whole-home clean energy assistance for low- and moderate-income household. (\$1M)
- c. A small pilot program that will support the financing of clean heating systems for low- and moderate-income household. (\$250K)
- d. A grant solicitation that would aid impacted hospitality businesses (focused on small and rural businesses) for HVAC system replacement and repairs. (\$250K)
- e. Clean heating grants to high-poverty school districts to advance equitable funding across districts and geographies, for repair of existing wood heating systems and replacement of broken/unrepairable heating systems. (\$2.5M)

Grants for Efficiency Vermont for Weatherization Services

\$5 million

Questionnaire submitted for a scope that includes weatherization for mobile home parks and multifamily units using subcontractors. Partnering with VHFA and 3E Thermal, as well as OEO to ensure that programs are coordinated.

Grants for Efficiency Vermont for Workforce Development

\$2 million

Efficiency Vermont issued an RFI that would inform development of the program and submittal of questionnaire and FFP. Responses currently being reviewed.

Grid Modernization

\$5 million

Design program for consideration for approval by the Legislature related to grid modernization. RFI was issued and responses received by 1/17. Under review and design underway.

Weatherization Middle Income Incentives

\$35 million

Impact on Vermonters – Equity Impact Analysis

The committees request a brief statement describing what the impacts are of changes in funding. Please include information regarding what populations are affected and to what extent, any cost-sharing requirement or any cost shifting, any impact on waiting lists or other programs, and any offsets or alternatives that may mitigate the impacts.

Wireless services are unevenly distributed throughout the state and tend to be located in more urbanized communities. Rural communities and especially those with higher percentages of lower income residents tend to have poorer service or no service at all. This negatively affects the rural quality of life. This is especially true with access to emergency services. Currently an estimated 40% of Vermonters do not have reliable cell service at home.

The Department has made progress in increasing the amount of funding, for example electric efficiency funding, that is targeted to go to income-sensitive Vermonters. The Department has also participated in the Commission’s docket on how to support income sensitive Vermonters and applies the Equity Impact Assessment Tool for any significant policy decisions. The Comprehensive Energy Plan elevates equity and just transitions to be a core decision making criteria in energy policy considerations.

The changes in funding are all positive (increase in value). The \$250,000 that is not budgeted for lower income households will be targeted to small and rural businesses in the hospitality, tourism, and travel industry.

The CEDF programs are still under development and thus there are some details of the program delivery that the CEDF will develop regarding how to best reach out to the most vulnerable populations to make sure they benefit from the programs. The funds will not be issued on a first come first service basis. Instead, funds will be set aside to make sure equity is served by the deployment of the program.

