

LETTER TO LEGISLATORS RE: VERMONT'S THERMAL ENERGY NETWORKS ACT

April 2024

To Vermont Legislators:

We are writing in support of the Thermal Energy Network amendment to S.305 (formerly [S.252/H.669](#), An act relating to thermal energy networks), and ask that you support passage of this bill this session.

Vermont's Thermal Energy Networks Act is adapted from New York's pioneering [Utility Thermal Energy Network and Jobs Act](#) that passed unanimously in their Senate and was promptly signed into law, led by a surprising alliance of utilities, unions, and climate advocates. We represent a similar coalition united in support of the bill to make geothermal and other kinds of Thermal Energy Networks available to communities across Vermont.

Community-scale Thermal Energy Networks use closed loops of mainly water in pipes and ground source heat pumps to deliver geothermal and other thermal energy (such as waste heat from commercial refrigeration or from municipal wastewater) to heat and cool homes and businesses. These systems work in cold climates as well as warm ones. They can provide reliable, affordable energy, reduce electricity demand and peaks, and create quality jobs in Vermont, including for current fossil fuel workers.

Vermont's Thermal Energy Networks Act creates a legal structure for the PUC to authorize thermal network utilities and authorizes all municipalities to provide Thermal Energy Networks without PUC approval or regulation, just as municipal water and sewer utilities operate under local control. This general statutory authority avoids the need for up to 250 charter amendments.

While the New York law requires gas and electric utilities to enter this business, the Vermont version simply allows existing utilities as well as nonprofits, businesses such as fuel companies, and others to seek PUC authority to become a thermal network utility. The PUC would supervise rates and terms of service as it already does for other utilities. Without use of any taxpayer funds, a utility model makes one of the most efficient, cleanest energy systems accessible to many Vermont communities and allows businesses or nonprofits to recover the upfront investment through rates that can be affordable and equitable for all.

Passage of Vermont's Thermal Energy Networks Act this session will create a pathway for the development of Thermal Energy Networks in communities across the state and accelerate our shared efforts to meet our climate mandates. We hope you will support the passage of this bill this session.

Thank you.

350VT
Champlain Housing Trust
Northfield Energy Committee

Renewable Energy Vermont
Vermont Businesses for Social Responsibility
Vermont Climate and Health Alliance
Vermont Community Solar Association
Vermont Community Thermal Networks
Vermont Conservation Voters
Vermont Interfaith Power and Light
Vermont Natural Resources Council
Vermont Public Interest Research Group
Vermont Sierra Club