Vermont Community Solar Association

12 Pleasant Ave. South Burlington, VT 05403

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Chairman Bray, and members of the Senate Natural Resources Committee,

I would like to enter the following comments as you consider H.289.

First, thank you for all your efforts to update Vermont's Renewable Energy Standard. This work is critical as we pursue the path toward electrification of the thermal and transportation sectors of our energy use, an essential strategy for reducing our climate impact.

Let me share a bit about the Vermont Community Solar Association. We are a young organization, which has emerged out of a series of conversations over the last few years about the need to bring our RES in line with what a healthy planet demands. One consistent message that has come through over and over has been that people around Vermont are disappointed to see opportunities disappear to buy into community solar. The VT-CSA is here to help express that voice, and to support the transition to sustainable community solar programs in Vermont.

We're not certain of the numbers, but between 50 and 75% of all Vermonters do not have any possibility of direct access to solar electricity. Their homes may not have direct sunlight, or the appropriate roof structure or orientation, they may live in a multi-family or other rental situation, or they may simply lack the resources.

There is an important historical context to consider. The "natural monopoly" that made sense with large central power plants, and formed the framework for electricity policy 50 to 100 years ago, has run its course when it comes to electricity generation. PV and grid-connection technology have created the potential for people to own their own energy production. Individuals and families, as well as businesses, can assure themselves of clean, locally sourced electricity. Ownership assures predictable and controlled cost, even as other utility rates may increase over time. Vermonters want to take charge where they can, and community solar is an important opportunity.

Without community solar projects, access is limited to the privileged few, those with sufficient sunlight, those with the resources to make it happen.

In many cases, the siting of true community based and owned solar projects has been able to proceed with much less opposition, in light of major community benefits and engagement.

With full electrification, one of the great costs is consumer choice. Where Vermonters now have choices among fuel types, and wide choices among vendors for both thermal and transportation fuel, there will now be one source, the monopoly utility. The only other choice people will have is to

produce their own power. Restricting access to community solar eliminates that choice for most Vermonters. Distribution utilities will still be essential partners, maintaining the poles and wires, interconnecting with storage, and managing the intermittency of renewable energy. But they need not be the sole source of power. Community solar is the one way we have to continue the possibility of consumer choice.

Relying heavily on group net metering is not ideal, but at this time it continues to be the primary financial and regulatory tool of choice. Rather than bringing this to an abrupt end, we urge you to establish a period of time during which alternative methods of financing can be developed. There are a host of possibilities to work on. Green banks exist and are supported by federal legislation. Banks and other financiers can be provided with incentives to consider longer term financing or to lower interest rates, bringing more projects within reach. Programs can be established to bring down the costs and reduce or eliminate the need to build the cost of supporting net metering into electricity rates.

We suggest that pushing the sunset date forward makes a lot of sense. It leaves the door open for projects currently in the works. There are business people in Vermont whose considerable investments of time and money will go down the drain if group net metering is abruptly terminated, and these people do not seem to have a seat at the table. Extending the sunset date could also line up with programs like IRA or Vermont's MERP (Municipal Energy Resilience Program) grants that Vermont municipalities could use to establish community solar projects. Consistent with the MERP program, we suggest that a January, 2028 sunset date makes sense. This could always be adjusted as an appropriate new program is implemented.

The Vermont Community Solar Association is looking forward to working with you and interested parties to create the new future for community solar, a crucial link in enabling Vermonters to participate fully in the green energy transition.

Thank you for hearing these concerns and suggestions.

Stephen Crowley, Director Vermont Community Solar Association <u>steve.crowley1@gmail.com</u>