More Efficient Solar Siting:
Updating the “Single Plant” Definition in Statute

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Background on Single Plant

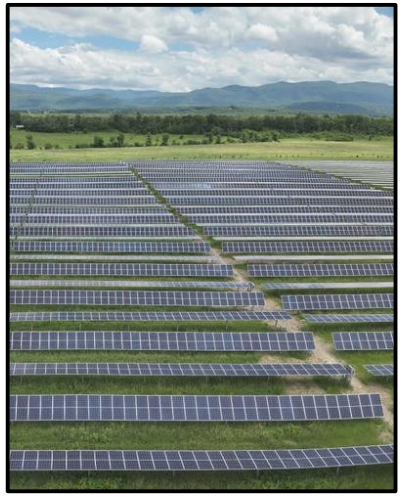
30VSA Sec. 8002 defines a “Plant”:
“Plant” means an independent technical facility that generates electricity from renewable energy. A group of facilities, such as wind turbines, shall be considered one plant if the group is part of the same project and uses common equipment and infrastructure such as roads, control facilities and connections to the electric grid. Common ownership, contiguity in time of construction, and proximity of facilities to each other shall be relevant to determining whether a group of facilities is part of the same project.

Single plant language was put into statute in 2009 to ensure that larger solar projects were not artificially partitioned to be eligible for the non-market prices in Standard Offer. Solar developers now have to address single plant issues for non Standard Offer projects as well.

With the end of off-site net metering and the Standard Offer program, the single plant statute adds time, cost and uncertainty to the process of deploying of solar power in Vermont without any other benefits to ratepayers.

When Standard Offer prices were set administratively, there was a clear *conceptual* justification for the Single Plant language

- Before 2013, Standard Offer prices were set by the Legislature and Public Service Board
- Legislators and the PSB were justifiably concerned that larger projects could be divided into smaller Standard Offer projects and access to non-market prices



A 5 MW plant is ineligible for Standard Offer

Cost savings from building at this scale accrue to ratepayers

Two 2.2MW plants built together would gain many of the 5MW plant's economies of scale

Under Standard Offer 1.0, both plants would receive a higher-than-market price, generating concern about gaming the system

"The definition of 'plant' in § 8002 was written to ensure that large projects, which can gain economies of scale based on their large size, do not take advantage of incentives intended for small projects."

Vermont Supreme Court, 2021

Single Plant Law Limits Development on Good Sites for Solar

Vermont's "single plant" law can prevent solar projects from being built near one another, preventing us from taking maximum advantage of sites that are:

- Already disturbed locations like brownfields
- Already host solar
- Close to existing load
- Located where the distribution infrastructure is robust

Towns have responded to the State's enhanced energy planning requirements and have clustered solar development in their land use planning. Single plant now runs counter to a Town's ability to manage development

Old gravel pit potentially off-limits for solar because of "single plant"

2.3 MW solar array on an old gravel pit

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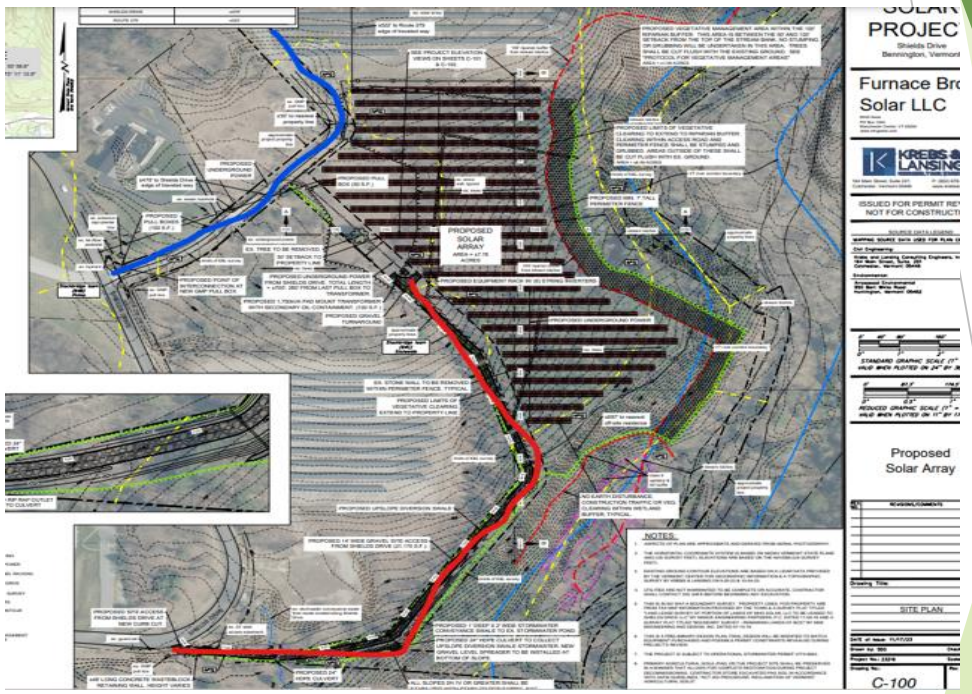
Single Plant Determinations Raise Costs and Increases the Time for Deployment on Good Sites for Solar

1. On a site designated by the Town of Bennington as a “preferred site”, MHG was advised by its lawyers to conclusively demonstrate that their solar project shared no common infrastructure with the 500kW net metering project on the same parcel installed by MHG five years prior.

To ensure they didn’t run into a “single plant” issue, MHG permitted an unneeded 1500 ft long road costing over $50,000

2. To avoid a potential single plant conflict, a solar developer was advised by their lawyers to replace perfectly good utility poles it had installed only <u>two years earlier</u> on the site for a previous solar array



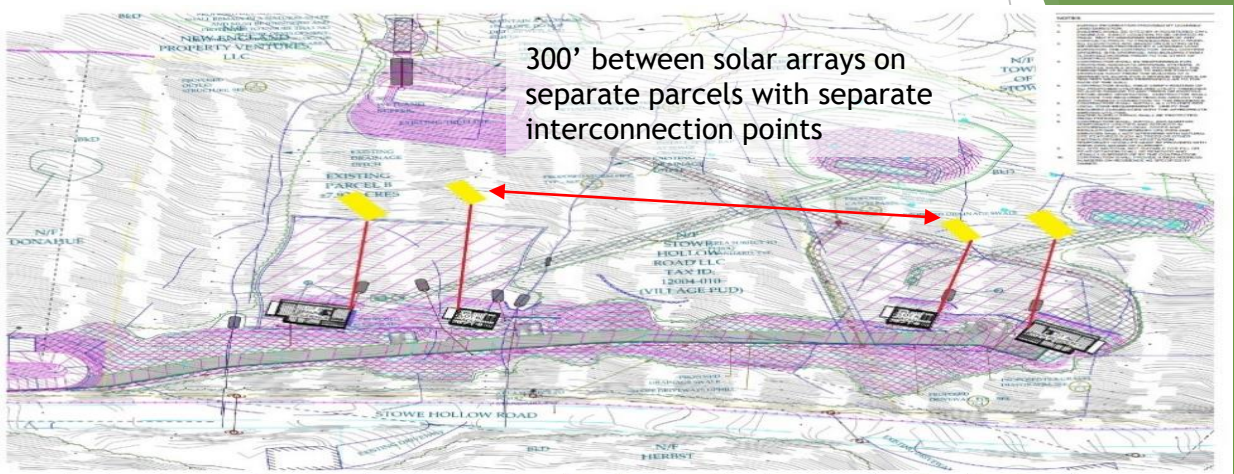
1.65MW Furnace Brook solar project in Bennington.
New road in red, existing road in blue

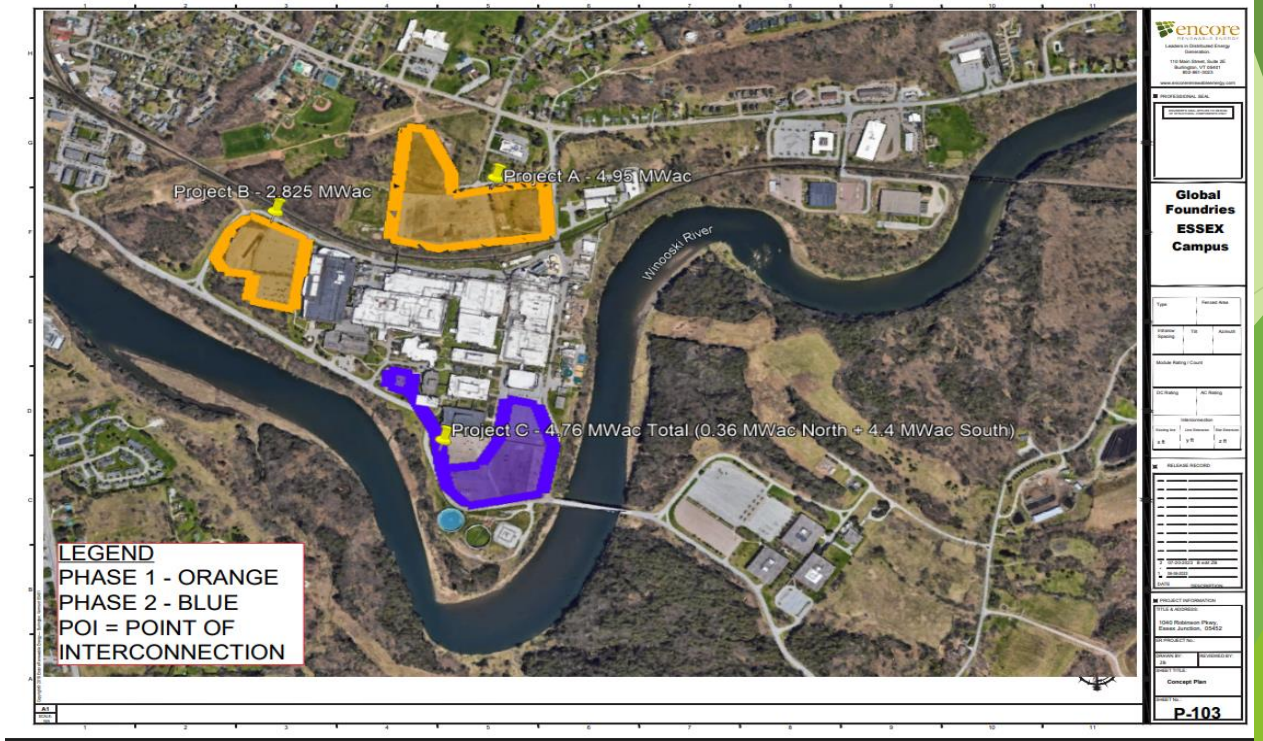
Single Plant Determinations Raise Costs and Increases the Time for Deployment on Good Sites for Solar

3. A residential developer working with a solar developer designed four individualized solar and battery storage systems for four new residential units on two separate parcels. Each unit was metered separately and does not share any solar infrastructure or interconnection points. The PUC initially stated that all four projects should be considered a single plant, initiating an unexpected eight month review process

4. A solar developer needed to petition the PUC on single plant issues before moving forward with multiple Tier II projects spread across the 400+ acre industrial Global Foundries campus

The single plant statute required extra hurdles adding tens of thousands of dollars in cost and several months of delay before a favorable ruling was received from the PUC allowing the CPG process to move forward.





Why Single Plant Designations are No Longer Necessary

The goal of the proposed revisions is to ensure that renewable energy projects that are physically close to one another do not have to rebut a presumption that they are a single plant. This rebuttal process results in an unpredictable regulatory review process, unexpected delays resulting in increased costs, and the underutilization of sites that already host solar.

Proposed edits to new 30 VSA § 8002 language in H.394

"Plant" means an independent technical facility that generates electricity from renewable energy. Independent technical facilities of no more than 10MW AC cumulative capacity that are located ~~collocated~~ on the same or adjacent parcel shall ~~not~~ be considered ~~a single plant~~ separate plants if each facility uses separate generators, inverters, and production meters, as applicable.~~, and each facility has a separate interconnection point to the electric grid. An interconnection point is the point at which the interconnection between the interconnecting utility's electric system and the renewable energy plant's equipment interface occurs. Utility owned electric distribution and transmission lines shall not be considered part of a plant or interconnection point. For purposes of eligibility in the net metering program under section 8010 of this chapter, the collocated independent technical facilities may not exceed a cumulative capacity of net metering systems allocated to a single customer may not exceed total of 500 kW in nameplate capacity.~~

With the end of off site net metering and the Standard Offer program, there is no longer any justification for the existing Single Plant definition