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April 8, 2025

Representative Kathleen James, Chair Representative R. Scott Campbell, Vice Chair Representative Dara Torre, Clerk Representative Laura Sibilia Representative Richard Bailey Representative Christopher Howland Representative Bram Kleppner Representative Christopher Morrow Representative Michael Southworth

Vermont House – Committee on Energy and Digital Infrastructure 112 State Street Montpelier, VT 05620-2701

Re: Senate Bill - S.50, An Act relating to increasing the size of solar net metering projects that qualify for expedited registration

Dear Chair James and Committee Members,

Today, I offer my written testimony on the referenced Senate Bill (S.50). Summarily, I disagree with the need for the establishment of new rules that S.50 is proposed to bring. Expedited registration and the quickening of the installation will have adverse impacts for our customers and our organization.

The Village has approximately 400 residents and serves 1,400 electric customers, 300 water customers, and about 150 wastewater customers. These characteristics makes the Village one of the smallest organizational entities providing for basic and essential life and wellness services in the State of Vermont. We accomplish this with only seven (7) staff members. Since March 15, 2023, I have served as the Manager of the Village of Hyde Park and its utility divisions of electricity, water, and wastewater. I started out in 1987 working at Green Mountain Power and then moving to Vermont Public Power Supply Authority and starting up and running a Waterbury-based international consulting company in the electric industry for 18 years.

Currently, and into the 2030s, Hyde Park's power portfolio is a mixture of clean power entitlements. Further, Hyde Park has one of the highest ratios of distributed generation ratios in Vermont as compared to their load requirements. Hyde Park's current peak load is set in the evening winter hours and is at just under 3 Megawatts (MW) demand. Internal to Hyde Park sits a 1.0 MW solar site that is owned and operated by the Village and benefits the local area. Additionally, there is nearly 0.5 MW of existing rooftop solar installed in our community. And we have approximately another 0.3 MW of solar in queue. This means that our 3 MW peak is currently served by 1.5 MW or 50% by local generation. Very few utilities in Vermont can say that internal demand resources cover that much of their customer demand. Please keep in mind that capacity and energy don't have the same basis. Solar energy in Hyde Park covers only about 15% of the total energy usage of all customers.

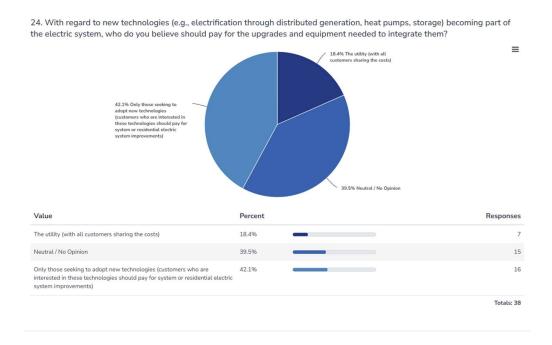
One of the best reasons for solar or other types of distributed generation installations would be the expected benefits that come from the timing of production against customer demands. Since our system peaks in the evening winter hours when solar is not usually present, our customers are not seeing some of those economic advantages. Having more DER won't economically help the Hyde Park system.

As noted above, the timing of the net-metering installation does not align with our cost drivers.

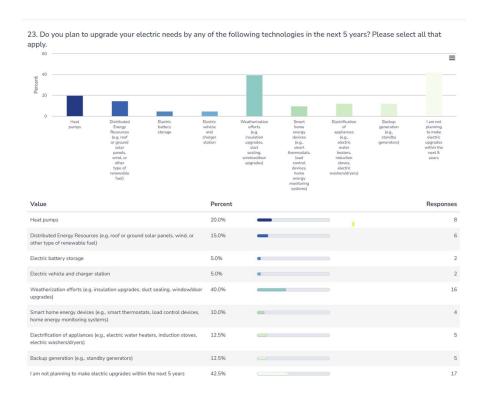
First, consumers who can afford to construct and own net-metering installations already have certain economic advantages over the rest of the utility customers. Through tax incentives and the existing rules for credits and being paid for their excess generation provides valuable entitlements not enjoyed by the rest of the consumers. Further, allowing certain customers who have income levels to invest in distributive generation the ability to get expedited recognition will give others the impression that income means preferential treatment.

Secondly, this operating dynamic creates a few challenges for the Village and its customers, of which I will highlight one in particular. Once a customer is placed in queue, this will mean that the Village will expeditiously have to favor their application over other work in queue. As stated above, our work includes Village and utility needs, such as addressing sidewalks and plowing, electric, water, and wastewater needs. If S.50 takes effect, in order to meet the bill's requirements, we would likely have to alter work in our other departments to meet the study, interconnection, and commissioning needs of those customers. Giving this favored treatment also sends a signal that some higher income customers would have the inequitable advantage in work assignments from the Village.

Lastly, based upon responses from a March 2025 customer survey, Hyde Park customers by a 2 to 1 margin believe that costs for distribution generation and electrification should be solely borne by those customers who want them.



Further, the survey results also showcased there is a smaller interest in net-metering as opposed to other needs.



The primary reason for our hesitancy on accelerated pathway is due to our limited staffing and resources and ability to be responsive. As reminder, the Village's entire staffing (business and field staff) is seven (7) people. If the NMR path is accelerated, limited staffing will have to be shifted to accommodate those needs over other

customer service needs. Also, it is worth noting, the Village has no engineering staff, and we may have call in third-party consultant. This means that in order to meet these requirements, the Village will need to hire or retain service providers to meet this demand. These costs would mean that there could be higher property taxes for Village services, water service rates, and more costs imposed on the wastewater customers. This won't just impact electric customers.

Overall, the value of expediting registration and changing other provisions under Rule 5.100 will incrementally cost consumers of the Village more and thus, I ask that you consider the cost of this bill. But if you wish to advance this bill, I would ask you to consider additional provisions for Rule 5.100.

In Section 8010, the bill directs changes to Rule 5.100. The Village of Hyde Park would ask that this section of the bill be amended to include:

(J) that customers must file an interconnection request to the interconnecting provider prior to (or later than) the filing of the registration request to the Commission, and

(K) the hosting interconnecting provider be allowed to establish and set a fee of no less \$300 per request for the purposes of administration and handling of the request.

These two directives would allow the interconnecting provider time and resources for the purposes of meeting these requests and would provide for cost offsets that the provider would have to incur if the expedited treatment is implemented.

Overall, we feel that the status quo, while it still hampers our ability to serve, we can work within its general parameters, but if you decide to move forward with the bill, those two provisions will soften the impacts and exposures we would have to otherwise absorb.

Thank you for your attention to this matter.

Brian Elans Mongeon_

Sincerely,

Brian Evans-Mongeon

Manager