



Vermont Gas Systems (VGS) Overview Presented to the House Committee on Energy & Digital Infrastructure, January 30, 2025

Who are we

- Vermont Gas (VGS) is the largest thermal energy provider in Vermont and has been providing Vermont homes and businesses with warmth for almost 60 years
 - Trusted, local resource for energy services since 1966
 - Fully regulated natural gas distribution utility
 - Energy efficiency utility ("EEU")
 - 140+ employees
 - 40% engage with customers every day
 - 28 in-home service technicians
 - 27 technicians and controllers maintaining & monitoring infrastructure
 - 12 customer care professionals
 - 9 energy efficiency experts





What we do

- We serve more than 56,000 families and business in Northwest Vermont
 - Approx. 1,500 in Addison County
 - Approx. 48,000 in Chittenden County
 - Approx. 7,000 Franklin County

We offer customers

- Affordable and reliable thermal energy
- Comprehensive weatherization programs
- Energy equipment service and maintenance
- Renewable and electric heating & cooling options

The VGS System

- 897 miles of distribution infrastructure
- 118 miles of transmission infrastructure





A history of innovation



1966

VGS introduced a new fuel option to heat homes and businesses that was more affordable and reliable than other options available at the time.



2016

VGS's efficiency work took a leap forward when VGS was designated as an energy efficiency utility (EEU), one of three in the state.



2020-2025

- Steadily increasing volumes of biomethane renewable natural gas (RNG).
- Launch of first in-state RNG digester; second under construction in 2025.
- Expanded weatherization through EEU.
- Launch of electric heat pump offering:
 - Heat pump water heaters
 - Centrally ducted heat pumps
 - Ductless mini-split heat pumps
- Partnership to support electric boiler project to gauge commercial and industrial uses.
- First community geothermal project (implementing DOE grants) advancing in Hinesburg.
- Implementation of ARPA funded equipment upgrades.

VGS expanded its product offerings and began providing thermal efficiency services to help customers save money, improve home comfort, and reduce usage.



1992



VGS launched the most ambitious climate plan of any peer utility in the country. Work immediately began and was subsequently aligned with GWSA after its 2020 enactment.

2019



Energy efficiency efforts benefit customers and State goals

- Since 1992 VGS's energy efficiency work has provided customers with
 - 47,964 individual efficiency improvements
 - Customer incentives of approximately \$44 million
 - \$307 million in cumulative gas savings since program inception

• Since 2016

- VGS serves approximately 2,000 residential and business customers each year
- Average participating residential customers save approx.15-20% on their energy bills
- Estimated to save 45,000 tonnes in GHG by end of 2026 and \$40 million dollars (cumulative since 2016)
 - For scale, 45,000 tonnes is equivalent to removing 9,700 vehicles from the road





Skilled workforce provides value and resources to Vermont

Putting ARPA investments to work in Vermonters' homes and Vermont communities

- Successfully allocated Switch and Save dollars to spur adoption of heat pump water heaters
- Actively working with partners to support deployment of electric panel upgrades
- Steered weatherization dollars and collaborated to scale solutions for low- and moderate-income Vermonters

Pioneering community geothermal and drawing down Federal grants for workforce development

- Led group to initiate U.S. Dept of Energy support for community geothermal
- Implemented 2024 Phase 1 grant to engage Hinesburg in local energy design – one of 11 selected communities
- Successfully secured Phase 2 grant (\$3m) to fund community geothermal system at affordable housing development

Continued focus: cost-effective thermal innovation that supports the needs of our customers

- A changing policy environment doesn't shift our focus: customers are embracing new thermal technologies and so are we
- Diversifying our portfolio of services creates new lines of revenue, which supports more products and options
- We act as a one-stop-shop to help residential and commercial customers maximize their investments and impact
- We are committed to align with State climate and energy requirements

