



## Community-Scale Geothermal Overview | May 7, 2026

Presented to the House Committee on Energy & Digital Infrastructure

# About Vermont Gas Services (VGS)

- **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
- **Distribution utility and energy efficiency utility (EEU)**
  - Providing natural gas service since 1966
  - Efficiency services provider since 1992
  - EEU since 2016



# 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

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

1992

vgs

2020-2026

- Steadily increasing volumes of biomethane renewable natural gas (RNG) in supply
- Expanded weatherization through EEU
- Launch of first in-state RNG digester in 2021; second farm project brought online in 2025
- Launch of electric heat pump installation service:
  - Heat pump water heaters
  - Centrally ducted heat pumps
  - Ductless mini-split heat pumps
- First community-scale geothermal project announced in 2026

VGS launched the most ambitious climate plan of any peer gas utility in the country; work immediately got underway

2019

# Geothermal approach:

Scaling a replicable model and collaborating with partners

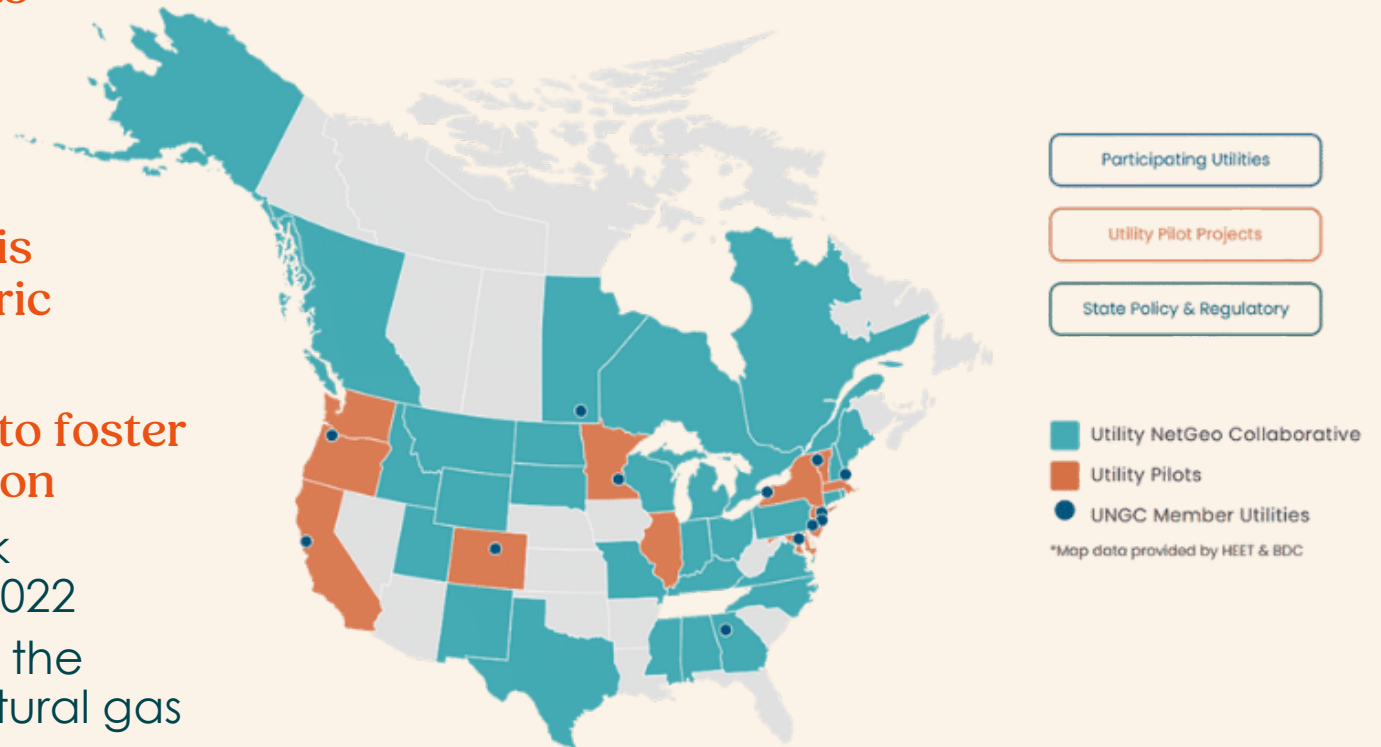


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# The VGS approach to geothermal

- Work with developers to understand needs for new construction projects
- Explore both networked and non-networked geothermal systems
- Provide access to geothermal that is competitive with alternate all-electric thermal energy options
- Collaborate with national partners to foster partnerships and accelerate adoption
  - Co-founded the Utility Network Geothermal Collaborative in 2022
  - Currently 31 member utilities in the Collaborative who provide natural gas to 53 million customers



Source: Utility Network Geothermal Collaborative

# Windy Ridge project overview

- **Partnership of VGS, Champlain Housing Trust, Evernorth, and Dandelion Energy**
  - Residential development in downtown Hinesburg
  - 44 townhomes and apartments for low- and moderate-income renters and owners
- **Geothermal systems will be used to heat and cool four multi-family buildings constituting 36 of the residences**
  - VGS will operate and own the exterior geothermal loops
  - Dandelion Energy will drill and install exterior loop infrastructure
  - CHT/Evernorth will own interior ground source heat pump equipment
- **Construction is anticipated to commence in 2026 with residents occupying in 2027**



# Shifting Federal policy drove pace and project scope

- **2022 Federal Department of Energy grant awarded to explore a Thermal Energy Network**
  - VGS partnered with Gas Technologies Institute, National Renewable Energy Laboratory, and Frontier Energy to apply for grant
  - Grant was multi-phased, with phase 1 dedicated to initial project design, community engagement, and workforce development planning
- **Second DOE implementation grant awarded in December 2024**
  - Phase 2 grant funding was to be used toward the implementation of a Thermal Energy Network at Riggs Meadow
  - Funding was frozen in January 2025 shortly after the new Federal administration took office
- **Withdraw of Federal grant required a pivot**
  - Began a new collaboration with Dandelion Energy
  - Selected a non-networked geothermal system design to bring down cost
  - Built a model where VGS owns the geothermal loops and charges the customer a low monthly access fee



# An opportunity to learn & optimize

- **Windy Ridge will provide stakeholders and residents multiple benefits**
  - Geothermal heating and cooling costs that are user-friendly for affordable housing residents
  - Familiarizing local developers and contractors with geothermal systems
  - A Vermont utility able to provide multiple paths to geothermal for different customer types
  - Hands-on geothermal experience for our gas utility workforce
- **What's next**
  - Drilling for geothermal loops will begin at Riggs Meadow in Summer 2026
  - VGS is exploring community-scale geothermal (both networked and non-networked geothermal systems) with multiple local developers

The logo for Vermont Geothermal Services (VGS) is displayed in white lowercase letters on a dark teal background. The letters are bold and sans-serif. The background of the slide features a dark teal gradient with silhouettes of evergreen trees and rolling hills on the right side, and a decorative border at the bottom composed of various geometric shapes and patterns in shades of teal, orange, and white.

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# Thank you

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