

2/12/2025

Senators,

Please strike this language that allows biomass in S. 65:

In addition, the Commission may authorize an entity appointed to deliver such services under subdivision (d)(2)(B) of this section to use monies subject to this subsection for the engineering, design, and construction of facilities for the conversion of thermal energy customers using fossil fuels to district heat if the majority of the district's energy is from biomass sources, the district's distribution system is highly energy efficient, and such conversion is cost effective.

This language appears to be included to specifically allow funds to be used for the Burlington Electric district energy project, which is a \$50,000,000 financial and environmental boondoggle.

McNeil lost over \$9,000,000 for ratepayers in 2024. You can find I/E statements showing an \$8,000,000 loss through September 2024 on page 30 of the joint owners meeting material found here:

<https://www.burlingtonelectric.com/wp-content/uploads/Joint-Owner-Meeting-Packet-120224.pdf>

EPA data indicate that in 2024 McNeil emitted 463,305 tons of CO₂. **It is the single largest source of greenhouse gasses in the state.** Obscenely, the plant emitted more CO₂ in 2024 than any year since 2016 while also producing less electricity than most previous years according to the EPA data. You can verify yourself at <https://campd.epa.gov/data/custom-data-download>. McNeil's code is 589.

I've attached a letter from Tom Lyle at BED to the PUC dated December 20,2024 advising of a \$704,000 EEU deficit. The conclusion on the final page of this document advises that this deficit will burden BED ratepayers with an additional \$3-\$4.50 monthly charge. The McNeil district energy project will add even more to this increased burden on ratepayers by an additional \$665,000/year while also **increasing** greenhouse gas emissions by 7,000 tons at the stack.

Until a few days ago, you could view the EPA environmental justice website to see that McNeil is the epicenter of high levels of asthma in Burlington and Winooski. McNeil dumps around 7 tons of PM 2.5 into surrounding neighborhoods annually. The Vermont Department of Health memo submitted for the CHS, finds that "[t]he monetizable health impact of residential wood heating in Vermont is \$105,000,000M-\$238,000,000 (about 30x greater than for all other residential fuels combined)" annually, and accounts for 10-28 premature deaths

due to various respiratory illnesses. (I can provide the document if you wish, which is also available on the PUC CHS webpage.)

McNeil is very inefficient. In *absolute* terms, the proposed district energy system would raise the efficiency a mere 3%. Because McNeil is only 23-27% efficient, the proposed district energy system raises the *relative* efficiency by around 10%. To get around this inefficiency problem, the language in the bill specifically states that the "district's *distribution system* is highly energy efficient" rather than the "combustion" system or the system as a whole. The energy of three out of every four trees burned at McNeil is lost due to the inefficiency of the system. This loophole focusing only on the efficiency of the distribution system—the pipes from McNeil to UVMMC—while ignoring the efficiency of the combustion system is simply legislative green-washing. There are proposed biomass systems currently before the PUC that claim 65% efficiency, and which could produce all the steam UVMMC would need for \$10,000,000. McNeil district energy price tag is now at almost \$50,000,000.

At the very least, please rewrite this clause to read:

the district's ~~distribution energy~~ system is highly energy efficient

Please also include language that requires any district energy system benefiting from this legislation must have an overall efficiency of 65% or greater.

Feel free to reach out with questions.

Thank you.

Pike Porter

CHS Equity Advisory Group member, and Burlington Electric ratepayer.