

S. 65

An act relating to energy efficiency utility jurisdiction

Agenda

The Grid

Energy Investments

Cost-Effectiveness

S 65

Weatherization vs. GHG Reductions

Affordability

Questions

Intro

Alek Antczak

Director, Efficiency and Energy Resources

Intro

Support urgency of climate action

Agree EVT has role to play in GHG emissions reduction efforts

Do not support the use of EEC funds for GHG emissions reduction

The Grid

The grid is expensive...

Utility Monopoly Compact

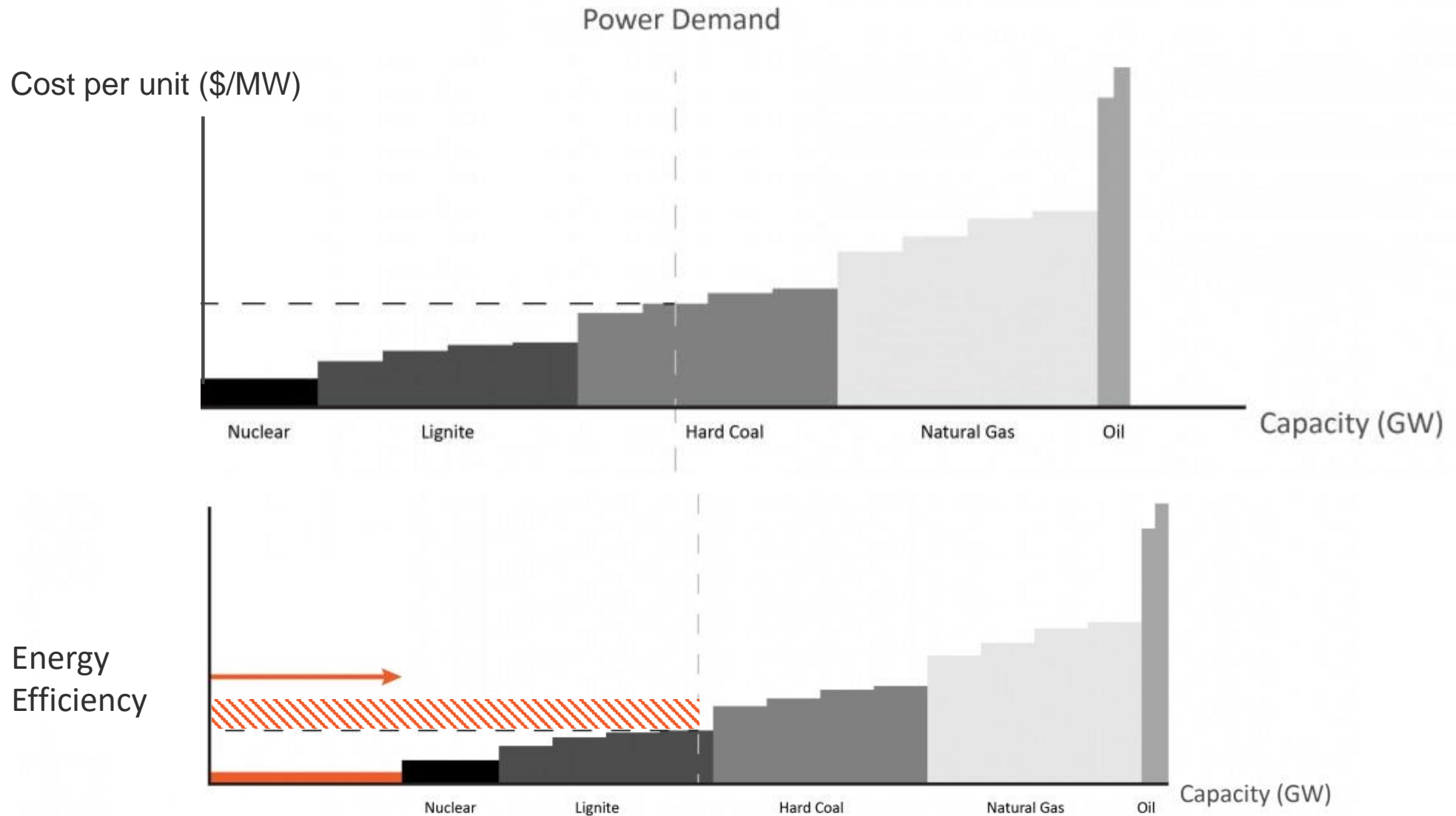
Utilities Get

- Monopoly control of service territory

Utilities Give

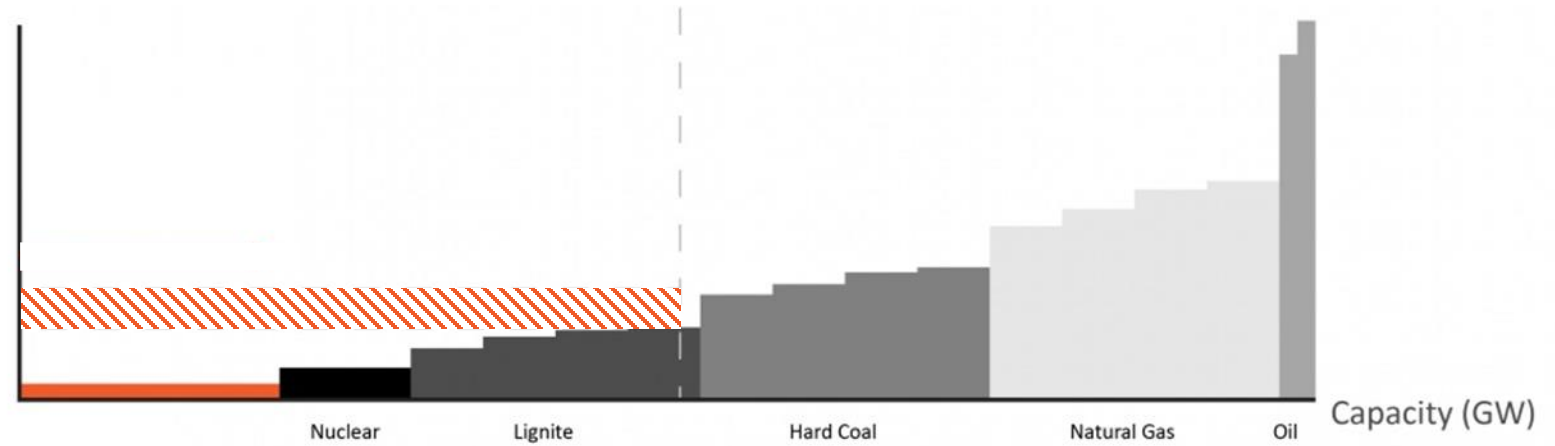
- Reliability
- Non-discriminatory access
- Prudent expenditure

The Grid



The Grid

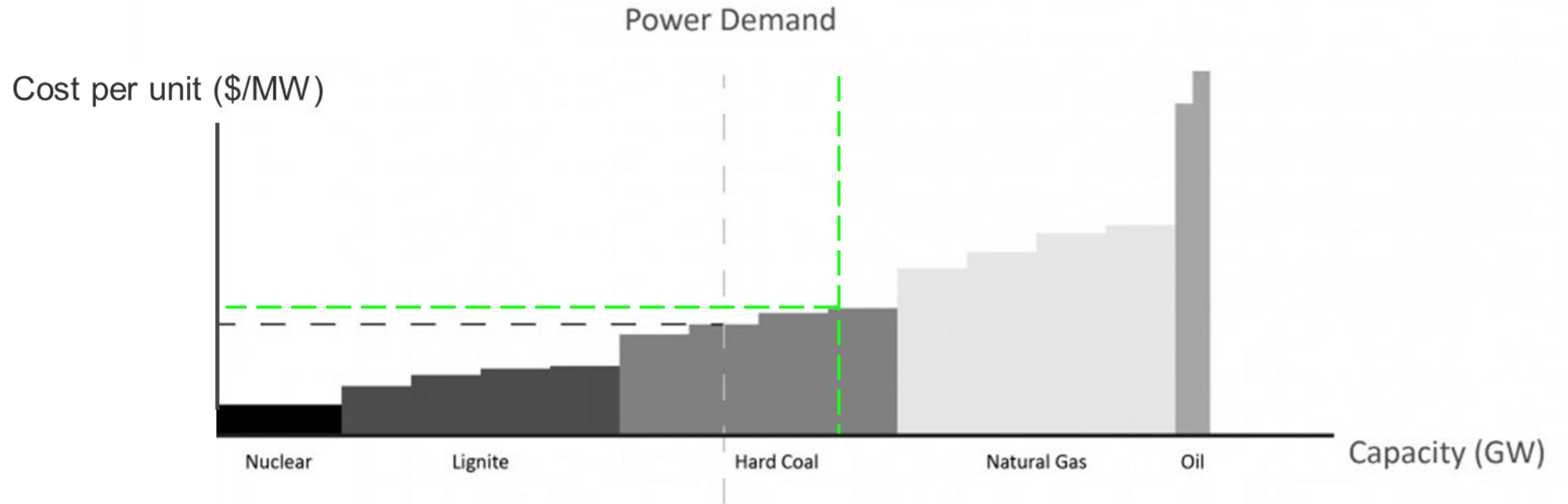
Cost per unit (\$/MW)



Electric efficiency $\$ <$ reduction in supply cost, then it's cost-effective

Downward pressure on electric rates (base rates)

The Grid



Diversion of EEC to non-electric efficiency increases supply need and cost

Electrification drives load building

Upward pressure on rates (base rates)

S 65

Prioritizing GHG reductions will divert EEC to non-electric efficiency

Force Vermont utilities to procure additional supply at higher cost

Put upward pressure on rates, increase costs for all Vermonters

Prioritizing cost-effective GHG will promote fuel switching and low CI liquid fuels, and deprioritize Weatherization

Concerns about access and equity

Build load, force Vermont utilities to procure additional supply at even higher cost and build expensive infrastructure (no efficiency to mitigate)

High electric rates improves economics of fossil fuel

S 65

Cost-effective GHG reduction

All reasonably cost-effective Energy Efficiency

Unclear what the limits are

CHS potential study identified program achievable potential ~\$1 billion annual

VT spends ~\$950 million annually on electricity

De-prioritize weatherization

GHG reductions are achieved more cost effectively through liquid fuels and fuel switching

No language about affordability

23% for low income is a spending requirement only

fuel switching + higher electric rates = increased energy burden

S 65

Weatherization

Participant benefits

Making a home tighter and better insulated will reduce the energy bill

Less GHG savings

GHG

Participant costs

Just because you electrify your space heating doesn't mean your total energy bill goes down (even now, in almost all cases it goes up)

More GHG savings

Unintended
Consequences

Unnecessarily drives costs up for all Vermonters, particularly for the most vulnerable Vermonters

S 65

Electrification is more expensive - contravenes purpose of bill

Questions?