

To: Vermont Legislature, House Natural Resources and Energy Committee
From: Sandra Levine, Conservation Law Foundation
Date: February 15, 2012
Re: H. 468 – An act relating to a renewable portfolio standard and the Sustainably Priced Energy Enterprise Development Program

1. Strong Goals and Standards:

Good path forward for renewable energy. Maintains the generally strong goals and standards needed. It is clearer and simpler, and helpful to have the Public Service Board work out many of the details with clear guidance in place.

2. New Renewable Goal:

30% new renewable goal is very important. In terms of ramp up, it is important to have this happen very soon to begin to address climate change.

Recommendation: Include strong early targets for achieving the 30% standard by 2025.

3. Hydro Quebec:

As drafted, Hydro Quebec fits into this the new renewable category. This creates an incentive for Hydro Quebec to build more environmentally damaging dams when they already have excess power with their existing dams. A recent report by Synapse for Conservation Law Foundation shows that GHG emissions from large dams is roughly equivalent to natural gas in short term, and only benefits climate change to meet longer term requirements. Vermont's legislation should not provide incentives for damaging new dams in Quebec

Recommendation: Exclude large hydro from new renewable category.

4. Exemptions:

The carve-out that exempts some providers (BED and WEC) from meeting the 30% standard with new renewables diminishes the value and impact of the 30% standard. The 30% new standard without an overall 80% (or 90%) goal means the renewables and RECs that WEC and BED have now above 30% will never be retired. This is a windfall for WEC/BED.

Recommendation: Include 80% renewable standard to ensure climate change benefits from the existing renewables.

5. Thermal efficiency placeholder:

There is no stronger advocate for efficiency than Conservation Law Foundation. It should not be part of the RPS *unless* the overall 30% requirement is increased. Efficiency is always cheaper and it will reduce the renewables we will use and to address climate change we need BOTH renewables and efficiency.

Recommendation: Delete thermal efficiency provisions from this bill or increase the 30% standard and create separate category for thermal efficiency.