Appendix B. Partner Meeting #2 Brainstorm

This document was used to take notes on and structure a brainstorming session among Act 179 Meeting Series participants in Meeting 2 following presentations on current or potential models to connect communities with solar.

Act 179 Meeting 2: Post-Presentation Brainstorm

During each presentation or in the time provided between presentations, use this template to jot down notes and questions you'd like to raise during the discussion portion of our meeting. If your comment is specific to one of the presentations, please note that.

We welcome comments specific to affordable housing and also more broadly on economic, social, and environmental impacts.

Notes:

- Agreement towards what benefit means specifically across perspectives
- Observation: seeing tension/disagreement whether something was / wasn't providing a benefit
    - The benefits will always be different for utility, ratepayer, system owner, and participant. Any program should consider the cost and benefit to each.
    - As we draft recommendations we should be transparent about this
- What objective are we striving for / what problem are we solving for?
- Overarching objective: simplicity
- For further discussion today (or otherwise): Lets dig in to the costs/benefits of ownership. (decommissioning, etc)
- From Adam in the chat: Hi Claire I could not use the whiteboard. Here are my comments: 1. Simplicity, I like how the Professor divided Costs/benefits up into energy and policy costs. transparency - I like the idea of a publically accessible excel sheet for all projects 3. I like the idea of incentivizing individual investment into renewables
- On v. off-bill funding sources to support enabling access
- What / who / how - who benefiting, who paying
- How can we electrifying without costs going up? How can we develop a sustainable approach
    - Schools + Municipalities: siting + load (EVs)
- From Annette: Here's the short video showing the 1989 and 2008 solar panels and how the 1989 ones have degraded https://youtu.be/dsjUEfMMAzI?feature=shared
- How can we make sure a successor program is not a barrier to addressing other goals and/or support them (even if not solving them directly)
- MA: Neighborhood Net Metering - “reasonable proximity to each other”

- Policy issues to consider: given RES reform, is GNM still needed to ensure continued progress to 100% RE grid? Do we want progress to 100% RE to be in the hands of the utilities, or is there value in having non-utility participants play a role in investing in and siting RE? Do we value small (<500kW) RE projects? If so, how do we encourage them? Given existing federal tax incentives, how can VT structure RE development to take maximum advantage of them? How can we stabilize electric bills for LMI households?
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ECONOMIC IMPACTS

Pros

- **Current programs (ACRE, Shared Solar at GMP, VEC Community Solar, etc.) directly connected to customers and also does not cost other customers**
- **ACRE directly helping income qualified. Simple for member, no cost shift, simple for DU to administer (low cost admin)**
- **Good move to generally do-away with off-site group nm**
- **Access and being able to plan for long term benefit via ownership of the array**
- **Simple in delivering benefits to low-income customers regardless of where they live**
- **Hasn't really come up much, but Tier 3 incentives can help electrify housing developments as well in terms of choosing a non-fossil alternative**
- **MA/NY have publicly available spreadsheets listing out costs to ratepayers/utilities and compensation to eligible projects**
- **DG and resilience-- what is the cost of extreme weather/resilience to VT residents. The more DG plus batteries we have on the distribution grid, the easier it is to microgrid, and the easier it is to maintain services in key locations for communities.**

Cons

- **Weather changes impacting production**
- **Equipment lapses or failures**
- **ACRE/EAP doesn't offer benefits for tenants when electricity is included in rent or for property owners who choose to include electricity in rent**
- **ACRE will end. In 5 years. Bill shock for participants. Need something sustainable in place by then.**
- **Lack of clarity across developer/utility/ratepayer costs/benefits**
- **The biggest benefit of ACRE for customers may be renters who are suffering from the split incentive….where a landlord is not motivated to make energy improvements**
- **Programs require grant funding or subsidy from other rate payers (arguably grants are subsidy as well from tax dollars)**
- **Small utility territories don't necessarily allow larger projects that would pencil out under a PPA, leaving fewer options without community net-metering**

- **Not a good general understanding about how we need to keep costs down for ALL ratepayers. Cant pay more than market rates for RE.**
- **Not enough transparency about costs/profits. Need to ensure supporting lower income, not private developers.**
- **Vermont lacks a procurement program to guide community solar**
- **Cannot easily take advantage of Solar For All resources without range of community options**
- **Limiting group net metering based on eligibility is a blunt tool and affordable housing leaves out a huge number of low income vermonters. It also doesn't provide an avenue for true community ownership--by the members themselves, which provides the highest long-term value for participants.**
- **Conflict between transmission grid capacity that supports building more solar where there is room on the big grid versus concept of locally distributed energy that requires upgrading distribution grid to support building close to or next to load. How to reconcile?**
- **Community-owners must consider llong-term costs of ownership. Some communities establish an O&M fund to plan for these costs.**

Questions

- **Lack of understanding of what constitutes impacted and front-line communities. Is it a physical location? Individuals? Could someone provide a real world example or two?**
- **Danger of separating benefits from costs - do benefits accrue to LMI and costs accrue to ratepayers at large?**
- **Between reflecting on the legislative language and also what folks have identified in this discussion, still a bit unclear what problem we're trying to solve for? Programs that deliver economic benefits direct to customers? Programs that allow affordable housers to offset operating costs? Programs that allow for housers to finance more housing using renewable energy projects?**
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- **I understand that the Maine energy office is undertaking a study on the costs of net metering? Has Vermont done this?**
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- **Need transparency on actual cost of developing renewable energy projects - large gap between PPA rates and NM rates, for example. What rate is needed to support development?**
- **Is there a limit to how much solar Vermont should plan to deploy, does there need to be a more strategic approach to assuring that solar is built in the right places. California has too much solar resulting in a huge change. Is Vermont going to get to that point without better strategic planning?**
- **What are the salaries and profits of merchant developers?**

- **Who is responsible when a project is sold to a company that goes bankrupt and no longer provides service. (see article on WCAX yesterday about SunCommon's problems with SunPower responding to customers after SunPower went bankrupt, as did SunCommon's parent company iSun). https://www.wcax.com/2024/09/18/suncommon-faces-backlash-vermont-solar-customers/**
- **Would like to hear reaction from the utilities about the detailed rate design used in New York.**
- **Vermont is uniquely positioned in New England as fully regulated-- does it make sense for utilities to own these projects to maximize transparency? What benefits are gained through developer-owned projects when we can subsidize the cost with federal money?**
- **Another example: Look at Massachusetts "neighborhood net metering"-- array and all offtakers must be in reasonable proximity to one another, but not "the same or adjacent parcel." This is a flexible rule, while still supporting the policy priorities of siting generation next to load. Let's let anyone in the community participate in that-- be it a resident, the town itself, etc.**

SOCIAL IMPACTS

Pros

- **Getting the benefit of solar to LMI renters?**
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Cons

- **PUC regulatory process imposes tremendous costs and stress to communities who are not engaged until after projects are pretty far along in development.**
- **PUC process is a disincentive for community engagement and good siting.**
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Questions

- **Re: Schools and Munis-- These are absolutely located in environmental justice/disadvantaged communities. When we think about resilience and electrification over the long-term, these entities provide options to match daytime generation with daytime load, pair with batteries for a community resilience center, and prepare for increased EVs due to proximity to parking.**
- **Schools/Muni support is a shell game. Ratepayers = taxpayers.**
- **VERY General question: we've referenced "the benefits of solar" a lot. I've understood the goal of the original n-m policy to be getting more RE on the grid faster than our utilities were moving, with the on-bill credits as the financial incentive for participants to make investments. With the RES reforms just passed, our utilities are committed to 100% RE by (kind of) near-term dates. This makes me wonder if n-m is still needed for that policy goal. For the financial benefits of n-m, perhaps expansion of utility financial assistance programs is the best way forward?**
- **Do community solar participants in VT understand that they are consuming the system mix and not directly consuming solar energy?**
- **One benefit of solar ownership for communities: the ability to leverage the solar array as a community financial asset.**
- **Another "benefit" of solar ownership is the increased economic benefit of continued generation after the array is paid off. Subscribers continue to pay subscription fees to utilities/developers and never see an increased economic benefit of the array being paid off.**
- **Is it possible to focus the ACRE or other programs receiving federal funding on low income housing?**
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ENVIRONMENTAL IMPACTS

Pros

- **Mass. Incentives for brownfield sites, parking lots, etc.**
- **Vermont needs disincentives for greenfield sites.**
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Cons

- **No real incentives for smart land use in VT. Loophole for any site to be a preferred site.**
- **Developers are in control of choosing sites, leading to the "cheapest" site which may be poor from a grid or environmental perspective. Increases potential for opposition.**
- **Siting matters for grid efficiency. DU's need more ability to have say**
- **Mismatch between solar (most the renewable energy being developed in VT) and electrified heating load. How to address this gap?**
- **Communities tasked with creating Enhanced Energy Plans have no knowledge about grid issues, so are not able to identify Preferred Sites that include grid challenges or benefits.**
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Questions

- **Do solar projects move us closer to a 24/7 renewable grid? How to produce renewable energy in the winter? This is not a problem that solar plus batteries can solve.**
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