

STATE OF VERMONT
DEPARTMENT OF PUBLIC SERVICE

RE: THE LAMOILLE COUNTY PLANNING
COMMISSION'S REQUEST FOR A DETERMINATION
OF ENERGY COMPLIANCE PURSUANT TO 24
V.S.A. SECTION 4352

July 9, 2018
6 p.m.

52 Portland Street
Morrisville, Vermont

Public Hearing held before the Vermont
Department of Public Service, at the Lamoille County
Planning Commission's Conference Room, 52 Portland Street,
Morrisville, Vermont, on July 9, 2018, beginning at 6 p.m.

P R E S E N T

Vermont Department of Public Service:

June Tierney, Commissioner
Anne Margolis, Renewable Energy Development Director
Sheila Grace, Special Counsel

Also present:

Tasha Wallis, Executive Director, Lamoille County
Planning Commission
Lea Kilvadyova, Regional Planner

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Speaker

Page

Presentation by Ms. Kilvadyova

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1 COMMISSIONER TIERNEY: Good evening.
2 My name's June Tierney. I am the Commissioner of the
3 Vermont Department of Public Service. With me
4 tonight are Anne Margolis of the planning and energy
5 resources division, and Sheila Grace, one of our
6 attorneys in the public advocacy division.

7 I see there is nobody here from the
8 public tonight. And there are two individuals who no
9 doubt are citizens and therefore technically members
10 of the public. She gets paid by the word. But I
11 gather you're here in some official capacity; is that
12 correct?

13 MS. WALLIS: Yeah. I'm Tasha Wallis,
14 Executive Director of LCPC, and Lea Kilvadyova is our
15 regional planner, and she worked on the energy plan.

16 COMMISSIONER TIERNEY: Excellent. Did
17 you get the names down?

18 THE COURT REPORTER: Yes.

19 MS. WALLIS: Yeah. We had a nice chat
20 earlier, but we also had an extensive public process.
21 So certainly people had comments they made --

22 COMMISSIONER TIERNEY: Oh, not at all.
23 That's fine. I was just going to dispense with some
24 of the detail in what I ordinarily give by way of
25 remarks because there are no people here who would be

1 able to receive the message. It's essentially about
2 what the role is of the energy plan when it's
3 certified and the legal significance of it in PUC
4 proceedings where it entitles the region to
5 substantial deference in its planning if it's adopted
6 by my Department, that is to say, certified by me.
7 So I'm going to -- unless you tell me otherwise,
8 ladies -- I'm going to assume you're familiar with
9 those matters.

10 MS. WALLIS: Yes. So we are all
11 curious what substantial deference is actually going
12 to be, but you are too.

13 COMMISSIONER TIERNEY: Indeed. Nobody
14 is more curious than the former General Counsel of
15 the Public Utilities Commission. So what are they
16 doing to do in my absence. So --

17 MS. WALLIS: You must have some
18 insights. You must be betting on something.

19 COMMISSIONER TIERNEY: I would say not.
20 I have no insights that I can talk about.

21 Anyway, Ms. Kilvadyova, I believe you
22 were going to give us an overview, if you would care
23 to do so. It says so in my script, but perhaps Ms.
24 Wallis was going to do that.

25 MS. WALLIS: No. Lea was going to do

1 it. We were just wondering if you would want it.

2 COMMISSIONER TIERNEY: I actually would
3 if you don't mind terribly, because I do have to make
4 a determination, and while I read the filings, of
5 course, and the products that my staff drafts before
6 I make a determination, it's helpful to me to hear
7 the description from the people who offered it to
8 understand where they put the emphasis.

9 MS. KILVADYOVA: Okay.

10 COMMISSIONER TIERNEY: So I don't want
11 to waste your time, but if you don't mind giving me a
12 few minutes to give me an overview.

13 MS. WALLIS: We put a lot of work into
14 it, so it's good that -- yeah. I'm just going to
15 close my office door.

16 MS. KILVADYOVA: Please let me know if
17 I don't speak loud enough for you to be able to hear.

18 COMMISSIONER TIERNEY: Do you have that
19 problem too? You have a problem too? She's been
20 after me for 17 years to speak more loudly.

21 MS. KILVADYOVA: They say I'm soft
22 spoken.

23 COMMISSIONER TIERNEY: Me too.

24 MS. KILVADYOVA: So I have to work on
25 that.

1 COMMISSIONER TIERNEY: No, you don't.

2 MS. KILVADYOVA: So my intent here is
3 to provide a broad overview of the structure of the
4 plan and how we put it together. I have examples of
5 what's in the plan by way of demonstrating, and if
6 there are any questions, I'm happy to answer.

7 So to start off, I would like to say
8 that we drafted the energy plan with the intent of
9 being an active participant in working towards state
10 energy goals. And those goals, very broadly
11 speaking, are stated right at the beginning of our
12 plan. And this is how we decided to demonstrate the
13 goals of, again very broadly speaking, one goal is to
14 reduce the overall energy consumption. And the other
15 goal is to transition to renewables.

16 Our energy plan is integrated into the
17 regional plan. That was originally drafted in 2015
18 for the duration of eight years. And we integrated
19 in the regional plan as energy is very important, a
20 very important component that is intertwined to other
21 plans, and we are trying to show within the energy
22 plan that there is a very close link to particularly
23 land use sections and our transportation sections and
24 also housing.

25 In determining the contents of the

1 plan, we made sure to follow the energy planning
2 standards put forth by the Department. The plan,
3 like many other plans, has a narrative part and a
4 mapping part, and so what I would like to do is just
5 to broadly describe what the narrative is and what is
6 the role of the maps within the plan. And I have
7 examples of information that is in each chapter.

8 So we start our plan off by describing
9 what Lamoille County energy profile is today. And
10 this is actually the part of the plan that has most
11 graphical representations. One example is just to
12 simply show based on the resource that we tapped into
13 at Vermont Energy Dashboard was what was believed to
14 be the current estimate of how we in Lamoille County
15 use renewables and non renewables today as a
16 baseline. And then as we were required to show, we
17 are breaking that consumption into our three major
18 sectors, heating and cooling, transportation, and
19 electricity.

20 And again, another example of the
21 graphics that is in this section of the plan is how
22 the energy consumption demonstrates itself in
23 household heating. So we do provide a pretty
24 detailed breakdown of the sources that are used and
25 the percentage of which source is used with.

1 After we have a pretty thorough
2 discussion in the plan of various components of what
3 the energy consumption looks like today, we move on
4 to our future energy use, and there we have been
5 helped and guided heavily by the modeling exercise by
6 the Vermont Energy Investment Corporation and their
7 LEED modeling. And so we took the information that
8 was developed for our county, and we tried to
9 simplify it in an effort to again represent broad
10 trends in the future energy consumption.

11 And a couple things that are shown here
12 is that even though our energy demand is going to go
13 up because of future population growth, there will be
14 efficiencies, because as part of our scenario, we are
15 counting on conservation and efficiency as being part
16 and parcel of our future energy use.

17 Another significance that is pretty
18 obvious from this graph is an increased reliance on
19 electricity as a source for energy, and an increase
20 of overall use of renewables, and a near-to-complete
21 elimination of gasoline and oil as our major sources
22 that exist today.

23 To bring more meaning to these broad
24 figures, we then are showing in our plan some very
25 specific targets as to what it would mean for our

1 county to transition to that -- to that future goal.
2 And I just pulled from our plan a couple of examples
3 of what that transition would look like. For
4 instance, in weatherization, we estimated that
5 currently in our county about five percent of
6 buildings are weatherized, and we really would be
7 striving towards a 2050 goal of one hundred percent
8 weatherization. For heat pumps it means going from
9 near to zero percent usage to 14 percent usage in our
10 households. For electric vehicles that's a very
11 significant growth there. And then because the model
12 that we are presenting in our plan heavily relies on
13 electrification, inevitably the question arises where
14 the electricity is going to come from.

15 So we are providing some figures as to
16 what that would look like if a proportion of the
17 electricity came from our county based on some
18 predetermined allocations. So that shows that by
19 2050 we would need to increase about five and-a-half
20 fold from where we are today towards 2050.

21 I really think that these figures have
22 been eye opening both for us and also for our
23 municipalities. And we do have a discussion in our
24 plan about some challenges associated with reaching
25 these targets. But they have been really good to

1 demonstrate what the magnitude of changes is that
2 would need to occur to get to the 2050 goals.

3 We have looked then in the next section
4 of our plan in more detail as to what that current
5 energy generation looks like in our county, and we
6 have a pretty detailed account of where the sources
7 are, where the facilities are. And then we are also
8 analyzing potential for the future.

9 And we state in our plan that we
10 believe that based on the resources that are
11 available to us today, and to achieve the goals that
12 we are striving to achieve, that solar or wind are
13 the two resources that are most prominently going to
14 be helpful for our county or would be for our county
15 with providing potential. And then to harmonize the
16 energy goals with land use goals our next section of
17 the plan is providing some siting guidelines as to
18 where we would like to -- where we believe potential
19 exists and with some preference of locations.

20 We got inspired by some other regions
21 and developed this alternative looking graphic as to
22 if we were to reach our energy generation goal
23 through deployment of ground-mounted solar, what that
24 would mean for the level of generation needed, we
25 would need to dedicate a little over a thousand acres

1 in our county towards reaching that goal.

2 Our analysis of potential is supported
3 by the maps determining potential suitability. As
4 you know, the two factors that went into developing
5 these maps, and this is an example of maps what's the
6 presence of the resource and the environmental
7 conditions of the land. We do show in our maps the
8 availability or the current structure of the grid,
9 but we do not go into a very deep discussion on
10 relating to the grid issues. However, we do allude
11 that this is -- in our plan this is a very important
12 part of meeting the goals, and we do have in Lamoille
13 County the northern part of our county is part of
14 that Sheffield-Highgate Export Interface where there
15 are pretty severe restrictions on the grid right now,
16 so we do have a discussion about that. But in
17 determining the potential suitability, we mostly
18 focus on the resource and environmental conditions
19 and are showing prime and secondary potential based
20 on those criteria.

21 And I would close by saying that a very
22 important part of our plan, and that's where we are,
23 would like to be an active participant in helping to
24 reach the goals and the strategies. We have pretty
25 detailed action and policies in our plan that are

1 guided by these general strategies of major shifts
2 that would help if they occurred towards reaching the
3 energy goals. So we do support these strategies
4 whether it's weatherization or a move towards wood
5 heating or heat pumps in the heating sector. Move
6 towards electric vehicles in the electric -- in the
7 transportation sector and then emphasis on land use
8 patterns, regional transportation issues.

9 And certainly availability of local
10 employment would help a lot in those trends. So
11 that's the end of what I was going to present.

12 COMMISSIONER TIERNEY: Excellent.

13 MS. KILVADYOVA: If there are
14 questions.

15 COMMISSIONER TIERNEY: Thank you.
16 Before you began your presentation, one of you, it
17 might have been you, Ms. Wallis, said that there had
18 been a robust public engagement process. And a
19 question I have for you is in your estimation are
20 these strategies reflective of what you heard in that
21 process? Are these strategies reflective of what the
22 folks who participated in the drafting of the plan
23 settled on as strategies, or is it some combination
24 of the two? What I'm trying to get a sense of is how
25 well is this set of strategies supported by the

1 public at large in Lamoille County to your knowledge.

2 MS. WALLIS: That's a great question.
3 I think that it's one of these things that most of
4 our public input, as you can imagine, was around wind
5 and siting. But we have a very engaged board, and I
6 would say that our regional planning committee who
7 represents all of the municipalities, very engaged in
8 some of the strategies.

9 But I think we all understand that
10 everyone says weatherization is great, but there just
11 isn't the funding. And we have older housing stock
12 where very little of it is weatherized. So I think
13 that that is a huge challenge. So I think it's
14 supported, but it's hard to know how, you know, how
15 achievable it is.

16 COMMISSIONER TIERNEY: Sure. Sure.
17 There may be a gap between the conceptual support and
18 the resources available to convert that into reality
19 I think is what you're saying.

20 MS. WALLIS: Yeah, I think. Yeah. I
21 mean we are still a very rural area, though we are
22 growing, which I think is very different from very
23 many parts of the state other than Chittenden County.

24 COMMISSIONER TIERNEY: What sense can
25 you give me of this growth rate and its

1 characteristics?

2 MS. WALLIS: We have been growing at
3 about three percent. I don't know, we have been
4 trying to discern it. Some of it is, of course,
5 around the resort areas and tourism. Cambridge is
6 seeing -- they're kind of on the edge of Chittenden
7 County -- so becoming more of a commuter community.

8 COMMISSIONER TIERNEY: A bedroom
9 community. Yeah.

10 MS. WALLIS: And then we have a lot of
11 people who also commute to the Central Vermont area.

12 COMMISSIONER TIERNEY: Is that right?
13 So they will take on that long commute.

14 MS. WALLIS: Yeah. I used to do Route
15 12 back and forth. That's not uncommon around here
16 at all.

17 COMMISSIONER TIERNEY: Sure. What is
18 your telecommunications connectivity like up here?

19 MS. WALLIS: Variable. We did have
20 folks come and talk about the plan, the broadband
21 plan. But it is spotty. You know, on Route 12 there
22 once you get past the round barn, I think there is
23 one more thing that makes that a little better, but
24 you won't be able to call anyone.

25 COMMISSIONER TIERNEY: So to the extent

1 that your plan is depending on availability of
2 employment opportunities, close to workers' place of
3 residence, and addressing interregional
4 transportation issues, some of that could be
5 mitigated by having better connectivity.

6 MS. WALLIS: I think so. Yeah.

7 COMMISSIONER TIERNEY: When you were
8 doing that Route 12 commute, if you don't mind my
9 asking, what was the nature of the employment that
10 had you doing that?

11 MS. WALLIS: I used to be -- I used to
12 have various positions in state government.

13 COMMISSIONER TIERNEY: Is that right?
14 Okay.

15 MS. WALLIS: And then I ran a trade
16 organization, a retail association.

17 COMMISSIONER TIERNEY: So not something
18 you could have really done telecommunicating or at
19 least some of that.

20 MS. WALLIS: Right. On a beautiful day
21 everybody wants to telecommute.

22 COMMISSIONER TIERNEY: Isn't that the
23 truth. I'm here. I didn't telecommute to this
24 meeting.

25 MS. WALLIS: And then we also have a

1 challenge, I mean we are a place of narrow river
2 valleys with steep hills. And so we want to develop
3 around our existing developments, but quite often
4 that's the areas of flood as well. So that poses
5 huge challenges for us in terms of employment issues.

6 COMMISSIONER TIERNEY: Yeah. I can see
7 that.

8 Well this was most informative. One
9 last question. What is your sense of the popular
10 appetite in your county for electric vehicles?

11 MS. KILVADYOVA: I believe that's one
12 of the things that we know that it's challenging. I
13 do believe that the cost of the electric vehicles is
14 still a determinant in people making decisions. And
15 then there is also hesitation on the part of the most
16 rural parts of the community simply not buying the
17 ability of electric vehicles to survive in that
18 environment.

19 COMMISSIONER TIERNEY: Oh, the harsh
20 conditions. The cold, for instance?

21 MS. KILVADYOVA: Or steep slopes or
22 just to manage in the outlying areas. Yeah.

23 COMMISSIONER TIERNEY: Okay.

24 MS. WALLIS: I think there is also just
25 cultural orientation toward owning a truck around

1 here.

2 COMMISSIONER TIERNEY: Yeah. That's
3 why I'm frankly surprised by these strategies.
4 That's why I was asking who is thinking this is
5 reflect. And you have been most candid. I
6 appreciate that.

7 MS. WALLIS: Yeah. But on the other
8 hand, it's like there aren't a lot of other
9 strategies or ideas. I mean we kind of went down
10 the, you know, path that we could and said well these
11 are the things we have to do, but we know it's very
12 hard to get to these.

13 COMMISSIONER TIERNEY: Well, you know,
14 it's something I struggle with a great deal in this
15 position. I think that is a very coherent and
16 measured vision that you have up there. And the
17 strategies are certainly relevant, and if realized,
18 would be effective.

19 And then there is a gap between the
20 understanding of the necessity for these strategies
21 and the ability to adapt to them to make that change.
22 And you know, that adaptation process is a very human
23 thing to push and pull, two steps forward, one step
24 back. So you can't fault yourself for having a good
25 vision. If you don't stake it out, there is nothing

1 to aspire to.

2 MS. WALLIS: Right, exactly. Yeah.

3 COMMISSIONER TIERNEY: And you at least
4 have to have a direction, even if you can't get there
5 quite as quickly as you would like to.

6 I have no further questions. Does
7 anybody here, either staff member?

8 MS. MARGOLIS: No.

9 COMMISSIONER TIERNEY: Have you any
10 questions of us as to process or anything of the
11 like?

12 MS. WALLIS: Well I think that it
13 sounds like it should be pretty quick from here. Is
14 that --

15 COMMISSIONER TIERNEY: Yeah.

16 MS. GRACE: July 24.

17 COMMISSIONER TIERNEY: That the
18 determination is due to be made by then. And it will
19 be.

20 MS. WALLIS: Yeah. And then, of
21 course, back to substantial deference, because we get
22 tremendous questions from the towns, and we are
23 working with them on what that means for them.

24 COMMISSIONER TIERNEY: You know I want
25 to say that there is a case now pending, but I'm not

1 sure of that. You don't know of that?

2 MS. GRACE: I don't know. I was just
3 going to point to the definition in the statute, but
4 that's all we have got.

5 MS. WALLIS: That's right.

6 COMMISSIONER TIERNEY: You folks have
7 mastered that. But yeah, I do think there is a case
8 underway right now before the PUC that should be at
9 least an early return, but yeah, until they apply it,
10 we really don't know. So we just know the
11 legislative intent was for it to be something more
12 than due deference.

13 MS. WALLIS: All right. Well that
14 narrows it right down.

15 COMMISSIONER TIERNEY: There you go.
16 Have you any other questions?

17 MS. KILVADYOVA: No.

18 COMMISSIONER TIERNEY: No. Okay.

19 MS. WALLIS: I'm very happy with the
20 work Lea did with the community.

21 COMMISSIONER TIERNEY: It's evident it
22 was a lot of work and good work. So thank you.

23 MS. KILVADYOVA: Thank you.

24 COMMISSIONER TIERNEY: I look forward
25 to making that determination. I'm going to call this

1 meeting adjourned.

2 (Whereupon, the proceeding was
3 adjourned at 6:25 p.m.)
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C E R T I F I C A T E

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2
3 I, Kim U. Sears, do hereby certify that I
4 recorded by stenographic means the Public Hearing re:
5 Lamoille County Planning Commission's Request for a
6 Determination of Energy Compliance Pursuant to 24 V.S.A.
7 Section 4352 at the Lamoille County Planning Commission's
8 Conference Room, 52 Portland Street, Morrisville, Vermont,
9 on July 9, 2018, beginning at 6 p.m.

10 I further certify that the foregoing
11 testimony was taken by me stenographically and thereafter
12 reduced to typewriting and the foregoing 20 pages are a
13 transcript of the stenograph notes taken by me of the
14 evidence and the proceedings to the best of my ability.

15 I further certify that I am not related to
16 any of the parties thereto or their counsel, and I am in
17 no way interested in the outcome of said cause.

18 Dated at Williston, Vermont, this 11th day
19 of July, 2018.
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