

Jortner, Wayne

From: Guy Page <page@vtep.org>
Sent: Tuesday, October 27, 2015 2:29 PM
To: Jortner, Wayne
Subject: For Mr. Wayne Jortner: Ratepayer Advocacy comment from Vermont Energy Partnership

To:
Wayne Jortner,
Consumer & Public Affairs Division,
Vermont Department of Public Service
Wayne.jortner@vermont.gov

October 27, 2015

Dear Mr. Jortner:

I read with interest your comments at the Morrisville public hearing, as published 10/25 in VT Digger article. Please enter this statement into any "record" of public comments on the ratepayer public advocacy issue now before you.

As you noted, Vermont's energy supply and needs are in a near-constant state of flux. Energy policy must therefore be supple, but also strong in its core principles, including providing clean, safe, reliable, affordable power to Vermont ratepayers. Counterproductive to this goal has been the State of Vermont's legislative, executive and regulatory prioritization of two forms of in-state generation – renewable solar and wind - over all others. Please note that the Partnership has long held that broad fuel diversity is necessary in our state's power portfolio. All affordable, environmentally-benign power, including specific wind and solar projects that contribute clean, safe, affordable and reliable power, is welcome. However, the State of Vermont has in our opinion failed to uphold the spirit of Act 248 and other measures favoring low-cost, reliable power by 1) forcefully opposing low-cost, clean power sources such as Vermont Yankee 2) opposing or failing to support new in-state baseload generation from renewable sources such as biomass, and 3) holding wind and solar developers harmless from the ratepayer protections inherent to the energy market by giving force of law to the industry definition of "cost-plus" rates of the standard offer and net metering. The economically self-defeating nature of State's anti-nuclear stance became even more apparent when in Vermont Yankee's absence, utilities entered into two large power deals with a nuclear plant near the New Hampshire seacoast. The result has been greater transmission "line loss" per kilowatt, but far fewer Vermont tax revenue and employment benefits.

We are concerned that State protection of a single industry has sown the seeds of expensive, unreliable, environmentally unsound and civically unacceptable outcomes of implementing the 90% Total Energy Plan, including a dubious generation/transmission "revolution" of which the only certainty is a high cost. Ridgeline wind power is particularly of concern because the current system of energy credits merely empowers New England fossil fuel generators to burn more oil, gas and coal with regulatory impunity, even as ridgeline development compromises our state woodlands' ability to buffer storm runoff and limit flood damage. If reducing global carbon emissions and helping Vermont limit flash-flooding during the next Storm Irene is really Vermont's goal, as we are told, replacing vast acreage of mountaintop and mountainside forest with water-shedding concrete and pavement while enabling unprecedented fossil fuel combustion could scarcely be more counterproductive.

To better advocate for the Vermont ratepayer, the Department of Public Service should:

- 1) Set standard offer and net metering rates at a lower rate, more consistent with projected market rates; or, eliminate them and let the renewable power industry prove its claims to affordability and maturity. Note that many within the national industry believe it would be better off without government price supports.
- 2) Reduce or eliminate the conversion of the state grid to small-scale, local distributed power, and instead 1) build new and retain existing clean, lower-cost in-state base load generation, including biomass and hydro, and 2) buy more Canadian and New York hydropower and other low-cost, low-emissions power. Distributed power as the status quo in a large market has not been proven to be more affordable or reliable than baseload power. Rather, it is a frank admission of the limitations of solar and wind power: their relatively weak, intermittent output requires construction of hundreds, even thousands of new plants and a totally new transmission system, with most siting decisions at the mercy of nature and physics, not human choice. The State of Vermont is risking Vermonters' economic and environmental futures by insisting on making a virtue out of this necessity.
- 3) Continue to promote prudent electricity conservation, for home and industry. We agree with VEIC and other promoters of both electrification and supply side management that the cheapest kilowatt is the one that does not need to be purchased.

Guy Page
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Vermont Energy Partnership
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