

Memorandum

Vermont Department of Public Service

Subject: Act 174 Standards Updates

Date: November 22, 2021

Pursuant to 30 V.S.A. § 202b, the State Comprehensive Energy Plan (“CEP”) must now include, “recommendations for regional and municipal energy planning and standards for issuing a determination of energy compliance (“standards”) pursuant to 24 V.S.A. § 4352. Issued with the draft 2022 CEP is a proposed update to the original regional standards released in 2017. The changes proposed here would also flow through to the municipal standards as relevant. This update has been made based on consultation with stakeholders involved with planning efforts under these standards (including state agency and regional planning commission staff) based on their experience with and recommendations for updating the determination standards.

The Department of Public Service invites public comment on the proposed updated standards and specifically requests public comment on three options to update the standards’ treatment of forest blocks as constraints. Given the multiple values that forests provide, including carbon storage and sequestration, and restrictions on forest conversion proposed in the Public Utility Commission’s net-metering rulemaking, the Agency of Natural Resources recommends that additional forest blocks—specifically, priority interior and connectivity forest blocks as identified in [Vermont Conservation Design](#)—be added as possible constraints.¹ Alternatively, a new standard could be added that would require regions and municipalities to consider whether these areas should be treated as constrained for energy development. The three options are:

1. **Option 1:** Add priority interior and connectivity forest blocks from Vermont Conservation Design as possible constraints under standard 12.C, with the possible addition of guidance clarifying that it is acceptable to treat possibly constrained lands as potentially developable for purposes of determining whether sufficient land is available to meet renewable energy targets (i.e., Standard 9.C).
2. **Option 2:** Add priority interior and connectivity forest blocks from Vermont Conservation Design as possible constraints under 12.C with a “not applicable” option and requirement that if “not applicable” is selected, justification for non-applicability based on the region’s or municipality’s ability to meet renewable energy targets is provided.
3. **Option 3:** In lieu of adding priority interior and connectivity forest blocks from Vermont Conservation Design as possible constraints, add a new standard that requires regions and municipalities to consider whether forest blocks and habitat connectors identified in regional or municipal plans pursuant to Act 171 should be treated as known or possible constraints and that

¹ Possible constraints signal conditions that would likely require mitigation, and which may prove a site unsuitable after site-specific study, based on statewide or regional/local policies that are currently adopted or in effect.

policies for development and siting of renewable energy facilities be consistent with policies for forest blocks and habitat connectors. E.g.:

12.X. Does the plan (a) evaluate whether forest blocks or habitat connectors identified pursuant to 24 V.S.A. § 4348a(a)(2)(F) [for regional plans] and 24 V.S.A. § 4382(a)(2)(D) [for municipal plans] should be treated as known or possible constraints, and (b) ensure that policies established for the development and siting of renewable energy resources are consistent with policies for forest blocks and habitat connectors?