

Reviewing Vermont's Renewable Electricity Policies & Programs

Final Report – Executive Summary

April 2024

Introduction

In April 2024, the Department of Public Service published a final report on the process taken to review Vermont's renewable and clean electricity policies and programs. It also presents the Department's policy and program recommendations emerging from this process.

This document provides an executive summary of the report. The full report can be viewed at: <https://publicservice.vermont.gov/document/clean-renewable-electricity-review-final-report>

The report synthesizes key learnings from across public engagement efforts and supporting technical analyses conducted between January and December 2023. It distills five initial takeaways related to the future of electricity in Vermont and offers five recommendations relating to revising Vermont's current Renewable Energy Standard and related programs. It also describes recommendations for future study and public engagement efforts. In addition, the report offers several reflections on the process taken to engage Vermonters in this effort and provides an analysis on the extent to which the Department achieved its goals for the public engagement effort.

Note: When the 2024 Legislative Session began in January 2024, updates to the Renewable Energy Standard became an active topic of legislative discussion. Staff from the Department have testified on aspects the public engagement and technical analyses included in this process and the Department's proposed policy and program revisions, while also providing testimony about the alternative proposal emerging from the [Renewable Energy Standard Reform Working Group](#), facilitated in Summer/Fall 2023 by the Joint Fiscal Office. These conversations are ongoing. As of this report's release, the Public Service's testimony has been provided to the [House Environment and Energy Committee](#) and is available on their website (Search for witness TJ Poor).

This executive summary includes:

An overview of the key takeaways from the process
([Slide 3](#))

A summary of policy and program recommendations
([Slide 4](#))

High level reflections on the process
([Slide 5](#))

Links to materials referenced in the final report
([Slide 6](#))

Key Learnings Overview



Over the course of the process, five core takeaways emerged about electricity in Vermont:

- 1 Affordability, reducing carbon emissions, and reliability were consistently highlighted as the most important issues to prioritize by Vermonters, with affordability being of paramount concern (*discussed starting slide 39*)
- 2 A move toward a 100% Renewable or Clean Energy Standard, including increases in new renewable energy requirements, calls for tradeoffs between costs to ratepayers and societal benefits from emissions reduction (*slide 42*)
- 3 Vermonters generally support solar, wind, and hydropower as sources of electricity while support for nuclear and biomass is more mixed. In some cases, resource characteristics such as size, location, and benefits or burdens placed on the host community or natural resources were considered more important than the technology type. (*discussed starting slide 44*)
- 4 Many Vermonters are at least somewhat supportive of policy and program changes that increase requirements for low carbon and renewable electricity in a way that supports the most vulnerable Vermonters (*slide 51 & 52*)
- 5 As Vermont considers achieving 100% renewable or low carbon electricity, it will need to do so in combination with a more granular understanding of the alignment of renewable generation and demand for electricity (*slide 53*)

Policy Recommendations



From these learnings, the Department of Public Service makes the following recommendations:

- 1 Adopt a 100% Clean Energy Standard, while maintaining the current 75% renewable energy by 2032 requirement.
- 2 Under the Clean Energy Standard, by 2035 require 30% renewable energy come from new renewable resources built after 2010. Half (15%) of this new renewable energy should be required to come from distributed renewable energy connected to the Vermont distribution system. Mitigate cost risks by lowering Alternative Compliance Payments and avoiding large infrastructure costs caused by cumulative impact of distributed generation.
- 3 Change the compensation structure of the current net-metering program to reduce costs of meeting the Clean Energy Standard and reduce the inequitable cost-shift.
- 4 Develop a Renewable Energy for Communities program to support community renewable energy systems and deliver benefits from renewable energy to communities who have been marginalized or faced inequitable access.
- 5 The Department of Public Service should further study opportunities of more granularly (sub-annual) accounting of renewability and the benefits and costs to transmission and distribution infrastructure associated with increases in distributed renewable energy.

These recommendations are discussed in detail on slides 55-61 of the final report.

Reflections on the Process & Accountability



Throughout this effort, the Department has sought to comprehensively engage Vermonters in the development of recommendations for policy and program changes in the electric sector. In reflecting on the effort, the Department offers the following reflections:



Centering public engagement in this process offered the opportunity to more meaningfully engage with Vermonters throughout the lifecycle of this effort



Establishing goals for the effort and accountability mechanisms for those goals ensured the Department collected data on who we were engaging and their experiences at events. This helped to build a baseline understanding of the success of public engagement



Partnerships were critical to reach broader audiences and think outside the box on engagement strategies to use



Prioritizing limited resources (staff capacity, budget, and time) to reach the most impacted is challenging and involves tradeoffs



There is a need for better educational materials and ongoing efforts to build capacity to engage in these discussions

In the public engagement plan released in December 2022, the Department set four goals for this effort (detailed on slide 17 of the final report). On slides 66-70, the Department evaluates its success in meeting these goals and next steps for future engagement efforts.



Materials from this Effort

This report provides an overview of the public engagement and technical analyses conducted during this process. Detailed materials associated with each of these efforts are also available on the [Department's website](#). Links to key documents are provided here for easy reference:

December 2022: [Public Engagement Plan](#)

January-March 2023 Educational Webinar Series Recordings & Slides

- Webinar 1 - *Where Does Vermont's Electricity Come From*: [Recording 1: Lunchtime](#), [Recording 2: Evening](#), [Presentation slides](#)
- Webinar 2 – *Current Renewable Electricity Policies & Programs*: [Recording 1: Lunchtime](#), [Recording 2: Evening](#), [Presentation slides](#)
- Webinar 3 – *Renewable Energy Certificates and their Markets*: [Recording](#), [Presentation slides](#), [Webinar Questions & Answers](#)

June – July 2023 Statewide Polling and Focus Groups:

- *Vermont Weights In: Public Opinion on Renewable Energy*: [Full report](#), [Summary slides](#); [Webinar Recording](#)

July – November Technical Analysis & Stakeholder Advisory Group

- Meeting Materials: Meeting 1: [Slides](#), [Minutes](#); Meeting 2: [Slides](#), [Minutes](#); Meeting 3: [Slides](#), [Minutes](#); Meeting 4: [Slides](#), [Minutes](#); Meeting 5: [Slides/Draft Results](#), [Minutes](#); Meeting 6: [Slides/Final Results](#), [Minutes](#), [Recording](#), [Access the Final Model](#);
- October 11th Workshop on Draft Results: [Agenda](#), [Slides - Sustainable Energy Advantage](#), [Slides - Department](#), [Recording](#)

September – October Regional Event Series with Regional Planning Commissions

- *Regional Planning Commission (RPC) Event Summaries*: [Addison County RPC](#), [Bennington County Regional Commission](#), Chittenden County RPC: [Event One](#), [Event Two](#); [Central Vermont RPC](#), [Lamoille County Planning Commission](#), [Mount Ascutney Regional Commission](#), [Northeastern Vermont Development Association](#), [Northwestern RPC](#), [Rutland RPC](#), [Two Rivers-Ottawaquechee Regional Commission](#), [Windham Regional Commission](#)