STATE OF VERMONT
DEPARTMENT OF PUBLIC SERVICE

RE: THE TWO RIVERS-OTTAUQUECHEE REGIONAL
COMMISSION'S REQUEST FOR A DETERMINATION OF ENERGY
COMPLIANCE PURSUANT TO 24 V.S.A. SECTION 4352

September 5, 2017
7:00 p.m.
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Vermont Law School
South Royalton, Vermont

Public Hearing held before the Vermont Department
of Public Service, at the Vermont Law School Chase
Center, 164 Chelsea Street, South Royalton, Vermont, on
September 5, 2017, beginning at 7:00 p.m.

PRESENT
Deputy Commissioner: Riley Allen
DPS Staff: Ed McNamara, Director
            Sheila Grace, Special Counsel
            Dan Potter, Energy Policy and
            Program Analyst

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MR. ALLEN: Okay. We're going to go ahead and get started. I hope we get more people coming in the room. Staff have prepared a little script, so I'll just go through and make everybody aware of what the event is about. My name is Riley Allen. I'm Deputy Commissioner of the Department of Public Service. I have several staff here with me, Dan Potter, Sheila Grace, and Ed McNamara.

I'll start this by providing a little bit of context on Act 174. 174 created a new energy planning process in Vermont for regional planning commissions. Pursuant to this process, the regional planning commission has the option of submitting its duly adopted plans to the Commissioner of the Department of Public Service for an affirmative determination of compliance with the statutory standards of 24 Vermont Statutes, Section 4352.

When a regional plan has received an affirmative compliance determination under that section, the Vermont Public Utility Commission is required to afford substantial deference in Section 248 proceedings to the land conservation measures and specific policies contained in such a plan when reviewing any proposed electric generation facility in the region covered by the plan.
So the purpose of this hearing is to gather input from you, the public, regarding the Two Rivers-Ottauquechee Regional Planning Commission's request for a determination from the Vermont Public Service Department that their implementation plan and their regional plan comply with the energy planning requirements set forth in Section 4352.

If the Department finds the plan complies, the land conservation measures and specific policies contained in the plan will receive substantial deference during any Public Utility Commission siting review of any proposed electric generation facility within the planning commission, regional planning commission's service area.

We've asked Kevin Geiger, a senior planner at the Two Rivers-Ottauquechee Regional Planning Commission, to begin this hearing with a 10- to 15-minute overview of the plan after which we invite members of the public to provide input. We have passed around a sign-up sheet. If anybody else comes in and would like to speak, we're prepared to add them to the list. I also encourage you to submit written comments to the Department via email at: PSD.planning.standards@vermont.gov. If anyone needs that email address again, please let us know.
MS. GRACE: And it's also on this contact information if anyone needs that written down.

MR. ALLEN: So, just so everyone's aware, we do have a court reporter with us. So, when you do provide comments, please spell your name for the court reporter. So, with that, I'll turn it over to you, Kevin.

MR. GEIGER: Sure, great, thanks. Lest I get behind that pillar, I'm going to stand over here if that's okay. I'm Kevin Geiger. So this is Chris Damiani from our office, and then we have Dee Gish from our office as well, too, so either one of them may be answering questions as well as me. I was just going to start off very briefly with, What is the Regional Planning Commission, because that's kind of a basic thing, and get going down to, What's the regional plan, and then, What's this piece of it?

So, again, for those of you who are not from this particular area, we're one of eleven regional planning commissions in the state. We do a variety of things for our towns, largely helping them with planning and zoning, a lot of that under contract, and so we do stuff on the local level, and our board is made up of representatives appointed by each of the towns, so our board is our towns. You can think of it that way.
We're kind of on the southern end of the region right now. We go from Granville up in Addison County over to Newbury, down to Hartland, and over to Plymouth. Got Pittsfield and the edge of Rutland County in the region. So those 30 towns are our region, and we have 9 staff, I think, now doing a bunch of this stuff. Us three are the main energy people. So that's what the Regional Planning Commission is.

Then what is the regional plan? The regional plan is this really thick thing. This doesn't even include the energy part of it. So we're trying to make it thinner, but that's what it is right now. And so it addresses many things, and one of the parts that the Board has to look at is, How does the regional plan in its totality address energy? And this time we focused, just because we can't do that whole thing in one shot, we focused on the energy section of the plan and what we call the energy implementation plan, which is actually an appendices stuck on that.

So those two parts are the most energy-relevant pieces, however transportation and land use are the next most relevant. Both of those will be under revision in the next several months, finishing out hopefully in less than a year from now. However, in our submittal we do call out places where we believe
both the land use section and the transportation section and a few other sections actually meet the standards as well.

What's any of this mean to you as people? Why do we write these things? So our towns, some of our towns are in the process of going through this as well, but until any of them do, if a project happens in our region, it would be the regional plan that would get that substantial deference, assuming we get the enhanced energy compliance blessing, and then our regional plan could have some voice because, right now, the standard is due consideration, and so you can imagine substantial deference is better than due consideration out there.

Our plan is basically effective. Hi, Bushrod. Come on in.

MR. POWERS: Thank you.

MR. GEIGER: We are just getting going, Bushrod. I'm just going over what's Two Rivers, but you know that part.

MR. POWERS: I do know that part.

MR. GEIGER: Bushrod is one of our commissioners, so, and he's from Royalton. He just had to pop over the hill. Our plan's effective in three or four areas. It has essentially somewhat of a
quasi-regulatory effect. Mainly on Act 250 and
projects that trigger Act 250, they look for compliance
with the regional plan. Driveway permits, state
driveway permits, access permits, actually also comply
with the regional plan, and 248 projects, energy
projects that need a Section 248 blessing have to
comply, or have to get, now get due consideration, and
we want to go up to substantial deference to the plan.

What, what is the long and short of this? You
know, there's many pages in there. The long and short
of that is the State has set energy goals, and we've
said, Yes, we like those energy goals, and here's how
we want to meet those energy goals. So that's the nut
overall. Those energy goals are essentially driving
the use of fossil fuels down a lot by 2050 with some
steps along the way for a variety of reasons.

But so we're driving the use of fossil fuels down.
How are we going to do that, and what are the kind of
implications? One of the implications for that for us
is that we send less money out of state because we're
not buying fossil fuels because we don't make any
fossil fuels in the state. So we're keeping money
locally, which is also helping our economy.

MR. POWERS: That is not exactly true. We do
make fossil fuels. It's called firewood.
MR. GEIGER: Well, we make firewood, yeah, and I'm going to talk about firewood in a little bit too. Not usually considered a fossil fuel, except really old firewood. But so, so we want to -- we want to improve our economy. We want to improve the air and the water, and we want to reduce greenhouse gas emissions, and we want to improve health too. Because, if we do certain things like use transit more than drive alone, our health will actually improve, and we want to lower long-term costs if we can. The cost thing is going to be a tough nut.

So, in general, the way in which we propose doing that, and there's guidance from the State that we looked at as well, is kind of common sense stuff. The first thing is don't use the energy in the first place. Don't turn the light on if you don't have to turn the light on. Second thing is have a better light bulb so, when you turn the light on, it uses less energy out there, and then, overall, the two other big energy users are thermal heat for our buildings and fuel we put in our vehicles. So those are the two massive energy users that are driven off of fossil fuels, mainly oil, coal, depending upon where you're getting it, some gas.

So how do we take those things and convert them to
electric? So we're going to take our cars and convert them to electric cars, and we're going to take our buildings that are heated off of oil like my house and heat them off of heat pumps which are electric driven. So we have two things that are going to use a lot more electricity out there than we're currently using.

But, on the wood side, the state modeling that we use to try to figure out where our goals are does not actually have firewood in there much at all, and then it has some weird numbers that result in some negative numbers that it spits out. Some of that reasoning is around there are some unknowns around long-term use of wood for heat in terms of forests over a very long period of time. If you cut all the trees down right now and burn them up, yes, eventually, those trees would suck back the carbon that you emitted burning them right now, but it would be a long time before you became even-steven on that.

However, we produce about, if I remember right, about 600,000 green cord or something in the region a year. Right now, our foresters tell us we've got wood piling up. A lot of people in current use would love to log more. So we actually have more language, I would say, in our regional plan about using wood for thermal, not to generate electricity, necessarily, but
specifically for thermal, putting in wood stoves.

So, for example, one of the weedy little policies is you'll see we do support a wood stove swap-out program so that you can burn wood more efficiently if you're currently burning wood now and we'd have less pollution out there and we'd have heat which we need. So that stuff.

How are we going to get all that electricity that we have that we need out there, and what's it mean on our energy profile? One of the things, if you look in the plan, you'll see some graphs. We're trying to drive total energy use down as well, and that somewhat works when you drive cars with electricity. The same amount of energy -- think, think energy in terms of BTU's.

The energy it takes to drive a car with electricity in BTU's versus the energy it takes to drive a car in BTU's from gasoline is we can drive that same car a lot further on the same amount of energy if it's an electric car because electric cars are vastly more efficient in turning the energy into movement. So, even though we're moving a lot of stuff, we're actually saving a bunch of energy by converting to electric.

And Chris may have a -- do you have the little
chart with the, yeah, like the little thing? But, roughly -- we have a chart there. An electric vehicle, VW Golf, goes 120 miles on the same bit that gasoline version of that same car goes 29 miles. So energy, pound-for-pound we get much more, yes, by converting the cars to electricity. So that's how we can drive energy use down while ramping up electric use.

MS. HAMILTON: Anne Hamilton. In your plan, does it qualify -- does it create space an explanation for commercial transport use versus domestic use and transitioning since they are the larger emitters versus the domestic emitters?

MR. GEIGER: You mean large vehicles?

MS. HAMILTON: Yes, 18-wheelers.

MR. GEIGER: Not much. The state model assumes in a somewhat strange way, in my view, that we convert all of the diesel vehicles to run on biodiesel with a roughly hundredfold increase in the production of biodiesel that, as far as I can see, happens by magic right now because that number, that increase is not technologically there right now. Whereas, you know, we know solar works, and we can do a bunch of solar things right now.

MS. HAMILTON: So, when you're calculating your transportation emissions, you are only discussing
domestic drivers, not commercial use?

MR. GEIGER: Actually, the model, I believe, has heavy vehicles in it as well.

MS. HAMILTON: It does? Okay.

MR. GEIGER: Yeah. And that's one of the reasons, I think, why it's still at 90 percent. So there's 10 percent left over when we get to 2050. The rough goal is, of course, to decrease fossil fuel use by 90 percent, actually, nonrenewable energy use by 90 percent by 2050, and it's somewhat of a curve. We kind of start gentle, and then we get more strict as time goes on per the state model.

Another thing that we want to do is we want to increase transit use. We're trying to try to get stronger on transit. I don't buy the argument that transit doesn't work in rural areas. It doesn't -- it's expensive. It's less expensive than owning cars, and that's what we need to measure it against. It's expensive when we look at transit and say, Well, transit doesn't pay for itself. True, it doesn't pay for itself. None of your cars pay for themselves either, and so that's the dynamic we want to get into around transit. Right now half our communities don't have a transit line even going through them, so, of course, nobody can get on the transit.
MR. POWERS: Could I quickly point out that we have a very good internal transit system that serves our rural areas very well? It's called the school bus, and I've heard this before, and we will not allow people to take the school bus.

MR. GEIGER: Right. As you may know, right now, it's, it's kind of illegal to just put civilians on a school bus without running them through background checks. It's not illegal to put kids on transit buses, though, and so that might be the way around some of that, but, yes, we do have lots of buses driving by houses and with lots of room on them, certainly, right now. So that is a place where there is room for improvement.

We do want to see what we can do about increasing transit use, and through our land use policies, we want to see what we can do about development going forward being more in a dense corridor. So, if you live in Royalton Village and you need to go to the store and then you need to go to the dentist, then you need to go to the health clinic, you don't actually have to do anything except walk, which is, compared to even an electric vehicle, energy pounds or pound walking is amazingly efficient. It is because the energy, you go on a treadmill, and you go, like, 15 calories, and you
went a mile or something, right? That's like a crumb from a donut.

Okay. Treadmill things aside, how are we going to get all that electricity? In our plan we basically look at solar as a way to get all that electricity. We've done the land use analysis. There are maps. It's important when we talk about the maps that we say this is not where the region says put solar. This is where the maps say put solar because it's where the sun shines, and there are not overriding environmental factors in there like it faces north and that type of thing.

We, we have not taken a stance against necessarily putting solar in flood plains or in river corridors. We do say, Don't put solar in floodways which are right next to the streams and rivers, but sometimes in flood plains and river corridors there may be an appropriate place to actually put solar up high enough and it will work there.

Overall, our entire energy budget could be met if we put about 2,200 acres of solar in the region, which is one-quarter of 1 percent of the region. So, if you -- we have this little graphic, I think, which shows all the land in the region, all the land that's suitable for solar in the region, and then we have --
yes, that one right there.

So this, this big gray thing is all the land in the region. This is solar, which we have about 50 times the amount of solar that we need in terms of generation, and that little bit there is how much we need. However, 2,200 acres as a percentage is very, very small. That's 22 100-acre solar projects, of course, which, if they land next to you, I'm sure you'd be interested in. Roughly 2,200 acres, roughly five-ish square miles of solar.

MR. ALLEN: Kevin, how much of your electricity needs is being produced by that green dot there?

MR. GEIGER: All of the target.

MR. ALLEN: All of the target? How much is the target relative to your overall, overall electricity consumption?

MR. GEIGER: Compared to right now? Or in the future this is, for 2050, this is all of the electricity needed. So this drives all of our cars, heats all of our houses, you know, turns the lights on.

MS. HAMILTON: For the entire region?

MR. GEIGER: Yes. Now, there are other issues which we mentioned but we don't address that are more complicated around storage, around volatility.
Because you can imagine right now solar is not doing anything.

MS. HAMILTON: Since we seem to be free-flowing, have you addressed the quagmire of renewable energy credits and how they negatively impact the State's carbon footprint if all sold?

MR. GEIGER: No. We discussed that a lot, RECs, Renewable Energy Credits, and because there's pricing stuff around it, there's all sorts of stuff around it which we don't get to make policies around. The biggest issue that we looked at there is, when we thought about it and thought, What do we want to do? How can we deal with this, is, yes, there are projects in the region where they sell essentially the, the renewable energy credit outside the region, right?

MS. HAMILTON: Which negatively impacts Vermont's overall carbon emissions because it's trading that renewable energy for fossil fuel energy instead.

MR. GEIGER: Yes, assuming nobody ever does it back to us, and so we thought we're buying Hydro-Quebec power, we're getting their low-carbon power. So we're selling somebody our low-carbon power. We're buying somebody else's low-carbon power.

MS. HAMILTON: But it has a higher carbon footprint than the solar.
MR. GEIGER: I don't know. And there's other people's solar out there, and there's other technologies out there. So there's kind of some things going back and forth in the wash, and considering we don't have a line on the grid, we said, Well, bigger people than us have thought about this thing, and they're, the rules right now are you can sell these things --

MS. HAMILTON: I think the community --

MR. GEIGER: -- and that they expire.

MS. HAMILTON: I feel that the community lacks information regarding those, though. So, like, businesses falsely advertise as zero emissions or fully renewable when they actually sell those RECs at the end of the year, meaning they are falsely marketing their selves.

MR. GEIGER: Well, I'm not sure if that's falsely marketing. That's your position, but I'm not sure we would actually have that position. Because it may not matter where the RECs are sold. It may matter what's coming out of the pipe when you're making the power. And then, of course, we don't deal at all, and neither does the state plan that much, deal with the carbon content of the electric generation itself.

So you imagine you've got a solar panel out there.
A certain amount of carbon was made to make the solar panel, and so the solar panel has to work a little while to pay back for itself and to actually get to net zero. We don't get into that. We don't get into grid stability that much, which is going to become an issue as solar becomes more and more, but we mentioned grid stability a little bit out there, and so there are more esoteric kind of fringe pieces of the power structure that we don't talk about that much, and that's, I would say, our own view of everything. So any more questions?

MS. WILLHITE: Hi, Beth Willhite. We had a solar company approach us, and they, one of the questions that our commission had was whether or not, if they did build an array at our municipal office area, would they sell the credits, and what we were told by the company is that it was too small of a project, that they weren't allowed to sell unless the array was a certain kilowatt hours or didn't produce a certain wattage.

MS. HAMILTON: I believe it's 500 watts.

MR. GEIGER: There are certain projects where, if you want to keep the RECs and not sell them, you'll be losing a certain amount of money in terms of generation right now.
MS. WILLHITE: Yeah. So this project that we were looking at was a 500-kilowatt array, and it was all going to stay in Vermont and, actually, then was going to provide electricity to, theoretically, our town offices, our school, and some other municipal structures. It's, we're still negotiating it, but I was just wondering if you factored that into your siting. I don't know what that green dot would look like if all of your arrays were at that threshold, right? Does that make sense?

MR. GEIGER: I don't think it would affect the siting map, per se, except around the issue of preferred sites, and we don't, at the regional level, we have not mapped any regionally preferred areas, and the main reason power people want preferred is they get more money if they make power in preferred sites than not in preferred sites. We do have power producers coming to us right now seeking preferred status from us, and we pretty much rely on the towns to say, Yes, that's where you want it, and then we run it through a checklist of, you know, not putting it in idiotic places before we talk about preferred.

But we don't have any regionally preferred. We also don't have, with very few exceptions, floodways, wilderness areas, a couple other things, unsuitable
areas where we've said, No, it's never a good idea to put power.

MS. WILLHITE: Do you say anything in your plan about sort of encouraging, if not forcing, array builders to plant pollinating plants around the arrays or any sort of, sort of --

MR. GEIGER: Yeah. No, I don't think any of that. We touch very briefly on the potential for some ag. uses within arrays.

MS. WILLHITE: Right, right.

MS. HAMILTON: What about ag. restoration with the resting of the land with these solar farms? Essentially, like, something that used to be big ag. could be potentially rested through the 20-year process of new life in a solar farm which could essentially be a state-funded program instead of a regionally funded program.

MR. GEIGER: Yeah. We don't talk about that. We just very briefly mention that there are ag. possibilities within land use solar arrays and that one of the things that we're trying to do as a region is we're trying to support farmers. Farmers have a lot of land, sometimes marginal land. It's one way for farmers to get some income off the farm, and then they can keep farming and doing the other farming stuff that
they would like. And so we do mention that kind of
give-and-take.

    MR. ALLEN: Thank you, Beth.

    MR. RIKERT: You can do less than the
500-kilowatt installation, but you can't go bigger
unless you get to the real big ones. And, to my way of
thinking, I don't see why that makes sense. If you
have a site that can generate more than 500 kilowatt,
why is it not sensible if the site is already there and
makes sense to maximize it? Because your
infrastructure, I mean, you have to have the natural
resources come out. You have to check for Indian
heads. I mean, the whole process is so staggering,
and, when you get a site that gets approved, you have
to stop at 500 kilowatts instead of maximizing it.

    So much of this seems to be practical on one hand
and so political on the other. It's unbelievable. And
then the site, and then it all boils down to money.
Nobody's going to do this unless they make money.
So, so either the farmer or the landowner has got to
make money and the developers are going to make money,
but they're so -- like, the amount of money that is
spent on site mitigation, to me, is just ridiculous,
and it doesn't amount to anything, but it just makes
somebody happy.
MR. GEIGER: Yeah. I mean, in terms of, I mean, mitigation in terms of, like, blocking the view of the thing?

MR. RIKERT: Theoretically, your plantings, theoretically, they don't block things. They just cost somebody a lot of money for nothing.

MR. GEIGER: Well, we address that issue somewhat and not overly, because, if you can't see your project, we don't particularly care. So there are places where you can build a project that nobody would see it from they public point of view. Other than that, we have pretty, I would say, minimal bars on visibility out there.

Your other issue about the 500 kW is just not us. Somebody made a break point. Why they made that break point --

MR. RIKERT: But that's the point. I think, if it's not you, you're our entity, and if anybody can get through to whoever dreamed up these rules, it would have to be, I would think, you or our representatives, and, I mean, it's easy to say, That's not me. Well, man, that's important.

MR. GEIGER: Well, we can carry those messages up. Part of it may be just they had to pick some number for load stability purposes to go at some
size. This is going to involve a new transmission line or new transformers or new something. Because I do know some of the 500 kW projects are even hitting grid stability limits and the power company is saying, No, we can't take that load. So that may be some of the reason why they had to have some cutoff and say, This is a big thing versus a little thing.

But we can take that project up, and you're right. If there was a project that was big and maybe nobody cared where it was and it wouldn't make the grid into a giant toaster, then, you know, maybe that's a good place to go. The one place where we have, going back to wood, where we have kind of, I would say, gone where the state plan is not going is pushing wood more for thermal right now.

MR. ALLEN: Can I just point out, when you're raising your issues that we deal with commonly at the Public Utility Commission level and these are issues that we at the Department of Public Service confront, what I would suggest for right now is we have staff here and talk to Ed. He volunteered to have a conversation with you afterwards and just kind of let you kind of know what the process is, what the boundaries are, where the rules are, and where they can be adjusted, you know, by the Regional Planning
Commission plan.

MR. GEIGER: Same thing with RECs. You know, we talked about them somewhat, but we don't make the rules about RECs. Anything else?

MS. HAMILTON: But would the State make the, not rules, but essentially making clarifications for the public and the companies? Because I know most public boards and, even on a higher level, our representatives are not specialized in these industries. Therefore, you have to make it as lay as possible, or else no one is making an informed decision or informed consent.

MR. ALLEN: Ed, can you respond to that at all?

MR. MCNAMARA: Sure. So Ed McNamara, I'm Director of Policy and Planning for the Department of Public Service. First, we actually do, we spend a lot of time during legislative session on different committees working with all your representatives on the different issues. With respect to RECs in particular, there's an interesting issue in terms of, when somebody enters into a contract with a service provider, it's a question of, Do we assume that the person entering into the contract with that solar provider needs the education, or is it more of it's a contract between two
parties who are working on the energy side?

    We have, at different times, actually worked, reached out to some of the solar providers and said, We're not so sure about your contracts. You need to clean up the language here. We've talked to the AG's, the Attorney General's, office at different times. Is that where you're getting at in terms of that REC, or are you talking about the overall society issues?

    MS. HAMILTON: Oh, no, but it's an individual and an industry issue. Like, a private company, so Vermont Law School produces 60-some percent of its own consumption, but they could sell -- they have waived their RECs, but they could alternatively sell them for an increase in value than keeping the RECs themselves, and even the experts don't fully understand the state language or the federal standard because they're --

    It's almost been intentionally made into a, Oh, well, it's interpretive, but it's literally you produce clean energy and, if it stays within the state, then the state's overall footprint remains clean. If it does not remain in the state, then that is transferred out for a lesser clean energy to come back in terms of monetary value, and making that clarification, I feel like, has yet to be made.

    MR. ALLEN: I'm not sure exactly what the
clarification is. I can explain the REC market and how it works, and, I mean, there's a renewable portfolio standard, renewable energy standard in the state has to be met through those tags, and any claims you make about your renewableness has to be backed by the Renewable Energy Credits that may exist either from the production from your project or through purchases from, from out-of-state resources, but they have to be backed by those, those credits --

MS. HAMILTON: Standard.

MR. ALLEN: -- by the credits that are used to meet the renewable portfolio standard. So those are certificates on a megawatt denomination basis. So you have to hold a megawatt, a sufficient quantity of those megawatt hour determination or certificates to back up any claims you make about your renewableness, and, if you're a utility provider, you have to have those certificates to back up your obligations that are embedded in statute under a renewable portfolio or a renewable energy standard.

But they can be bought and sold, and that, that's a mechanism that is designed to help keep down the costs of renewables so that renewables in one region of New England or the state can be traded with other regions to help reduce the overall costs of meeting
those standards.

MS. HAMILTON: Financial costs, but not carbon costs. Like, like, so my understanding is that Vermont has decreased its carbon footprint by 15 percent, like, renewable usage by, like, 15 percent. However, the number of sold RECs has reversed the intended impact.

MR. MCNAMARA: So I think that what we're actually talking about is a couple different things. There's the sort of marketing of, Are you green or not? Did you keep your RECs? Did you retire your RECs?

MS. HAMILTON: Exactly.

MR. MCNAMARA: And that, if it's, for example, Vermont Law School, that's up to Vermont Law School whether they want to be green or not. If they say they're green and then sell the RECs, then that's potential fraud, and that's a problem, and that's something that the Department of Public Service has pretty limited authority because then that becomes, actually, fraud is an Attorney General issue. So, you know, this is not trying to say, This is somebody else's problem. It's just that there's multiple players that have to be involved.

What Riley was talking about more is just the aspect of, for the state as a whole, we have a
renewable energy standard, and that's the only requirement we have.

MS. HAMILTON: Right.

MR. MCNAMARA: Anything beyond that is up to individuals of what we they want to do.

MS. HAMILTON: But the individuals from what the people I have come across which are business owners and individuals do not understand the impacts of selling their RECs.

MR. ALLEN: I think that's a good issue. I think it's a fair point to make, that there is an education component that, that should somehow accompany that. So we'll take that as --

MS. HAMILTON: It's a very small infographic that I think would solve a lot of problems.

MR. MCNAMARA: We have tried that in lots of different ways, and we're always looking for new ways to do that.

MS. HAMILTON: Thank you.

MR. MCNAMARA: It can be a complicated thing, but it's good to know that we're not doing it well so we can try harder.

MR. GEIGER: Yeah, it is complicated. That green thing there is our sidebar on Page 30 of our energy implementation plan where we specifically tried
to talk about RECs in as cogent a way as we could
without making our heads explode. Because it does get
complicated quickly.

    MS. HAMILTON: Thank you.

    MR. ALLEN: Are there any more questions for
Kevin before we turn over to public comments? Okay.
Thank you very much, Kevin. That was great.

    MR. GEIGER: Thank you.

    MR. ALLEN: Okay. So we're turning the page
here, and we now want to hear beyond the questions
that, the valued questions that you have, the comments
that you have on the, on the plan, and we'll just start
at the top. Anne, do you want to start us off since
you were here first?

    MS. HAMILTON: Sure, no, absolutely. I
appreciate these types of situations because of the
lack of simplified information for the public and the
companies. I mean, I've dealt with lots of C-Suites,
and the administrative job is to condense the
information so they can understand it in five
sentences, and I think we put a lot of expectation on
the public that is undue and unnecessary and not their
role, and, I guess, that's the whole coming into, like,
the REC situation. Like, that's really not that hard,
I don't believe, to get out there.
MR. ALLEN: Yeah, okay, good. Thank you, Anne. So next on the list is Joshua Powers, Town Planning Commissioner from South Royalton.

MR. POWERS: I only signed it because I was asked to sign it. I do not have an important speech to make. I might ask, if people are paying attention to the end of the 20-year cycle where we're supposed to remove the, the existing thing, and who pays for that? Having been on the end of Act 250 commission, the bond required would be most sensible if you were releasing your land to somebody else to run it.

MR. MCNAMARA: Yeah. So, real quick response to that. Anything over 1 megawatt, which is about 7 acres or so, 1 megawatt for solar, any, any renewable project that's not built by a utility, you know, it's one of these somebody coming just to build something over 1 megawatt, they have to provide a decommissioning fund. So they have to give basically a letter of credit up front that we can ensure that, once the project's done, we have enough money, even if they don't take the responsibility to decommission it, that it can get decommissioned. That's only 1 megawatt and above.

Then, certainly, net metering in which case you've got usually rooftop or some of the smaller fields or,
if it's utility, the Department of Public Service and the Public Utility Commission have enough of a hook to make sure that projects stay in that.

MR. POWERS: At this point. But 20 years from now, who knows?

MR. MCNAMARA: Letters of credit are supposed to be for the full 20-year projects. But you're right. Things can change over 20 years.

MR. POWERS: They have lawyers.

MR. MCNAMARA: They do. A lot of them came out of here like me.

MR. POWERS: All too much true.

MR. ALLEN: Okay, thank you, Joshua. I don't know if anybody else has comments.

MR. RIKERT: As I understand it, the State mandates how these solar panels themselves are taxed by the town, but it's up to the individual towns to tax the land under the solar panels, and that seems to be up to the discretion of the local listers. Some don't tax it very much. Others nail it for every nickel it's worth. And I just wonder if any thought is given to, in this plan, about how the underlying land should be taxed.

MR. GEIGER: Nothing is in ours, and we have no control over listers. Even select board has no
control over listers. Listers are their own statutory creature in Vermont, and they can do what they want to do, largely.

MR. RIKERT: What I'm suggesting is that --

MR. GEIGER: It would take a statutory fix.

MR. RIKERT: Again, somebody's got to make money. So, if the listers significantly raise the value of the underlying ground, it's either going to have to come out of the solar developer's pocketbook or the person who's renting the land, which, either way, might be counterproductive to the goal of trying to get as many of these installations in as we can. Because it's significant. Over a 20-year thing on 8 acres is $60,000.

MR. MCNAMARA: Yeah. As Kevin said, that's, at the moment, this isn't a statute. You have these two different things, but definitely an issue we'll take back.

MR. GEIGER: We did have some questions, and I forget what the answer was, but there was a question around current use and staying in current use and putting solar on the land and --

MR. RIKERT: That was turned down. You can't keep it in land use and have solar on it, even though, technically, you can graze sheep on it, but --
MR. GEIGER: I think there's a kW limit, again, on that where, below a certain kW limit, you can, and above you can't.

MR. DAMIANI: I thought it was, if you used less than -- if you kept, whatever, kept the majority of the power on your farm, then you would have to take it out of current use.

MR. GEIGER: Yeah, that's the case, yeah. So there are some farms, we have some farms in the region that could probably use even a 500 kW system and pull the power.

MS. HAMILTON: Sorry. One more. Is the State or the Regional Planning Commission doing any research into the current wiring systems and their heat waste versus is there a need for infrastructure? Because energy capacity is lost as it transmits. So has that been addressed in your regional plan?

MR. GEIGER: So you mean the transmission system?

MS. HAMILTON: The infrastructure.

MR. GEIGER: I don't think we addressed that at all. I mean, somewhat about decentralization to be pushing power less distance.

MS. HAMILTON: So are you guys focusing on microgrids?
MR. GEIGER: No. I mean, just from Canada to here is a long ways compared to Newbury to here.

MS. HAMILTON: Right, but these new projects need, like, a known transmission area and what potential loss there would be in the transmission of that versus keeping it in the community.

MR. GEIGER: Yeah. There is nothing. We don't, I know we don't speak to whether, for example, you know, a project in Royalton that serves Royalton is better than a project in Newbury that serves Royalton.

MS. HAMILTON: There's a loss. I mean, there's a physical physics loss if you get it from 20 miles away versus right here. Therefore, if the plan is to create all these facilities that are going to export, like, that is more loss than there is gain. So has there been a focus on what the state or the region can do to keep that in the locale versus exporting and the RECs?

MR. GEIGER: Not -- well, I would say at the regional level, no. The only thing being at the town level for the town, the idea is each town has a target just like the region has a target, and so there is a theoretical generation that the town should meet, and right now it isn't, Oh, we're going to just use all of that town's power over in our town. It's town by town
by town. And so I guess that would lead to less transmission loss, theoretically, because you're making your own power.

MS. HAMILTON: Right.

MR. GEIGER: And we've worked with four towns, and we're going to work with another four towns, and but we have given every town their target given the model.

MR. RIKERT: One other question. Is the town's target, does that take into consideration previous installations, or is it only from here on in? So, if a town, as an example, like Sharon that's got 12 acres sitting down there, they don't get any credit for it at all because they were first?

MR. DAMIANI: The date, I think, was September 30, 2015. So I think everything that was built before that was counted, not fully. It was still counted because, the regional target that we got from the statewide target, we then subtracted the number of current renewables that were built before that September 30th date. So it did get counted, just not, I guess, fully to each individual town.

MR. GEIGER: Yeah. It's not the, the town. The overall target is being met, but that doesn't go to the town. Hartford, for example, they count 46
megawatts of hydro in Hartford. Much more power than Hartford needs. So Hartford doesn't -- their target is still a bunch of power they can't go.

With the wind towers, we don't have commercial wind in the region, but with wind towers there's just way more power than those towns could use. And that's just one of those things we asked the question, and that's the answer we got.

MR. ALLEN: Okay. Are there any more comments or questions for either us or for Kevin? Okay. I'll just point out that we do have contact information for us if you want to follow up with any questions or you want to send us emails or other information with questions or comments. And, with that, I'll just conclude the event, and thank you very much for your comments and questions.

(Whereupon at 7:53 p.m. the hearing was adjourned.)
CERTIFICATE

I, Sunnie Donath, RPR, do hereby certify that I recorded by stenographic means the Public Hearing Re: The Two Rivers-Ottauquechee Regional Commission's request for a determination of energy compliance pursuant to 24 V.S.A. Section 4352, at the Vermont Law School Chase Center, 164 Chelsea Street, South Royalton, Vermont, on September 5, 2017 beginning at 7:00 p.m.

I further certify that the foregoing testimony was taken by me stenographically and thereafter reduced to typewriting and the foregoing 37 pages are a transcript of the stenographic notes taken by me of the evidence and the proceedings to the best of my ability.

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

Dated at Westminster, Vermont, this 10th day of September, 2017.

// Sunnie Donath