Where Does Vermont's Electricity Come From?

PUBLIC SERVICE DEPARTMENT

JANUARY 31 AND FEBRUARY 2, 2023



Welcome!

The Vermont Public Service

Department (Department) is an agency within the executive branch of Vermont state government.

The Department represents the public interest in matters regarding energy, telecommunications, water and wastewater.



Many staff from the Department are supporting today's webinar:

TJ Poor – Director of Planning

Anne Margolis – Deputy Director

Claire McIlvennie – Data & Equity Policy Manager

Lou Cecere – Planning Engineer

Adam Jacobs – Utilities Economic Analyst

Chris Heine – Clean Energy Program Specialist

Philip Picotte – Utilities Economic Analyst

Webinar Logistics

Please remain muted with video off throughout the webinar.

We welcome participants to write questions in the chat box or, if you are unable to do so, raise your hand to ask the question directly.

If you would like to ask your question directly, you can press unmute (if joining via the web) or *6 (if joining by phone).

Closed captioning is available for today's webinar, but please be aware the captions are autogenerated any may not be 100% accurate.



The webinar is being recorded and will be posted on the Department's renewables website after the event, along with copies of the slides: https://publicservice.vermont.gov/renewables

Context

This webinar series is part of an effort by the Public Service Depart to review our current state electricity policies and programs, as recommended by the state Comprehensive Energy Plan and Climate Action Plan.

Throughout the process the Department wants to hear from people like you to better understand what Vermonters think is important in our state electricity policies and programs.

Phase 1:

Awareness & Capacity Building

Winter / Spring 2023

Educational opportunities and beginning to hear from Vermonters on what matters to you about where your electricity comes from

Phase 2:

Policy & Program Review

Spring / Summer 2023

Conversations about our current policies and how we might want to change them in the future to meet clean energy and climate objectives

Phase 3:

Recommendations & Reporting

Fall / Early Winter 2023

Developing recommendations to provide to the Vermont legislature before the next session

There will be a variety of ways to be involved throughout the process, and we hope you'll join us!

Objectives

Today's webinar will answer two core questions:



How does the electric grid deliver electricity to Vermont homes and businesses?



Where does Vermont's electricity come from?

Breaking the Ice

UNDERSTANDING WHO IS IN THE AUDIENCE & WHAT YOU KNOW ABOUT THE ELECTRIC SYSTEM

Tell us about yourself!

One of the goals the Department has for the process to review our renewable electricity programs and policies is to engage with a broader array of Vermonters than we have historically reached with our events.

As part of this effort, we have a few questions here to help us better understand who is in the audience today and the perspectives you're bringing to the table.

Answering these questions in voluntary! Please answer as many or as few as you feel comfortable.

All responses will be anonymous.

We'll use the data collected here:

- Internally to help inform our outreach efforts moving forward
- In our reports on this process, to be transparent about who we did (and didn't) hear from to offer context for our recommendations

Poll: Electricity in Vermont





QUESTION 1: WHERE DO YOU THINK VERMONT'S ELECTRICITY COMES FROM?

QUESTION 2: HOW RENEWABLE DO YOU THINK VERMONT'S ELECTRICITY IS?

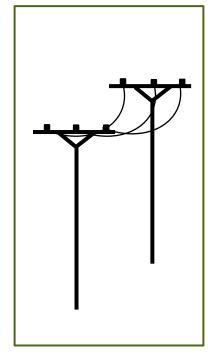
The Electric System in VT

HOW DOES IT WORK

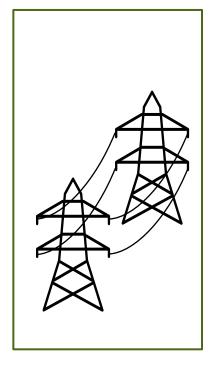
Core Components of the Electric Grid



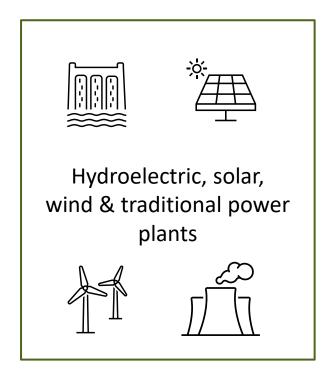
Electricity Consumers



Distribution Lines



Transmission Lines



Generation

Where are Resources Located



Within Communities

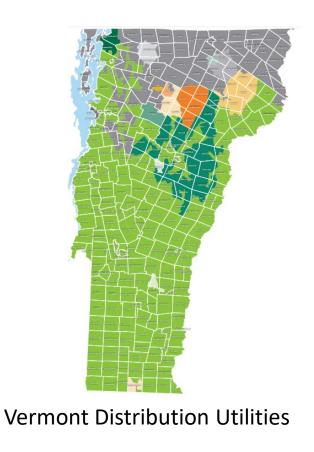


Vermont

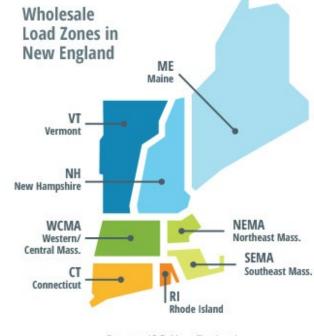


New England, New York, & Canada

Who Manages The Grid







Source: ISO New England

VELCO

ISO New England

Questions?

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Electricity in Vermont

FOUR PERSPECTIVES ON WHERE IT COMES FROM

To start – some terminology:

Kilowatt (kW) / Megawatt (MW)



A measure of power

i.e. how much electricity something needs to turn on or can generate instantaneously

1000 kW = 1 MW



An average LED lightbulb requires **0.01 kW** to turn on



A hydropower plant with a capacity of 1000 kW (or 1 MW) could help 100,000 light bulbs turn on at the same time.

Kilowatt-hour (kWh) / Megawatt-hour (MWh)





A measure of energy

i.e. the amount of power delivered or generated over some amount of time

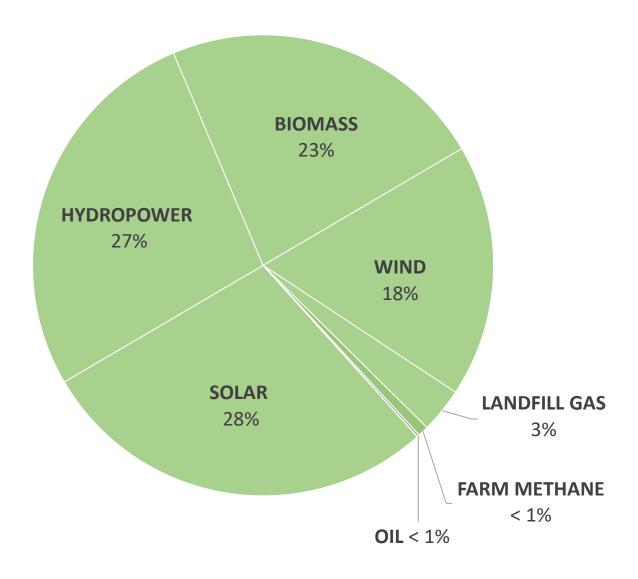
1000 kWh = 1 MWh



If you turned on one LED light bulb for **3 hours**, it would use **0.03 kWh** of electricity.



A hydropower plant with a capacity of 1000 kW (or 1 MW) that was on for 3 hours at full capacity could power 100,000 light bulbs for that time by producing 3 MWh of electricity.



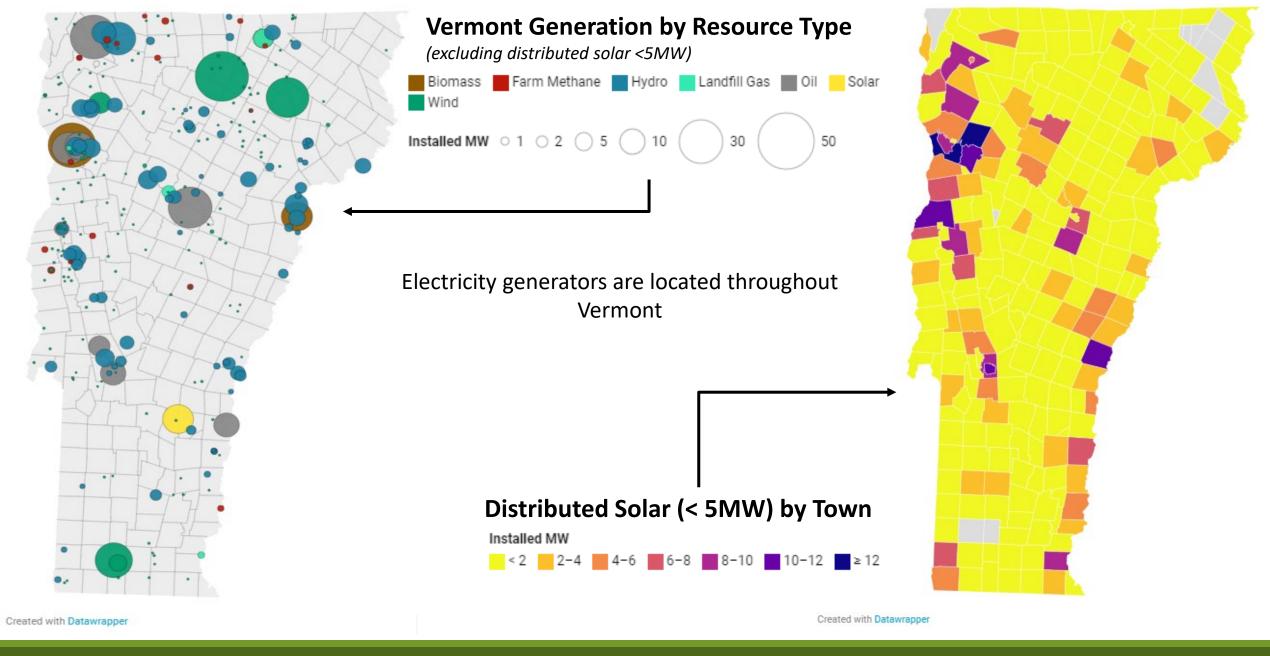
What does Vermont generate in-state?

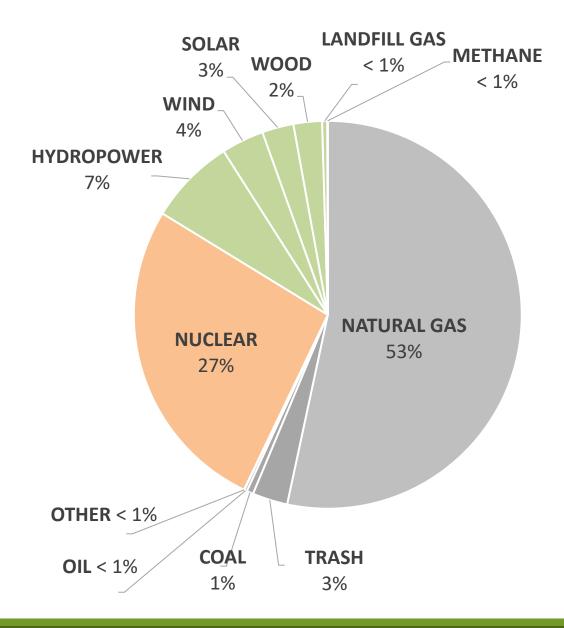
In 2021, generators based in Vermont produced more than 1.9 million MWh* of electricity.

- By contrast, in 2021 Vermont utilities purchased or generated over 5.8 million MWh of electricity to meet customer needs.
- Electricity generated in Vermont makes up 33% of what is needed to meet customer's need.

99.8% of this electricity came from resources that current Vermont policy considers renewable. These resources are **highlighted in green**.

Not all the electricity generated in Vermont is used by or sold to Vermont utilities.





What electricity is generated in the New England region?

In 2021, generators in the New England region (including those in Vermont) produced roughly **102 million MWh** of electricity.

16.3% of this electricity came from resources that Vermont considers renewable. These resources are **highlighted in green**.

27% of this electricity came from nuclear, which is not considered renewable but is **considered carbon free**.

When utilities in Vermont decide what power to generate or purchase to meet the needs of their customers, they are guided by existing Vermont energy policy. These policies require consideration of issues like:

What electricity do Vermont utilities generate or buy?

Adequate electricity



Affordability of rates



Cost-effective use of resources

Economic vitality



Efficient use of resources

Environmental justice & equity



Reliable electricity



Secure electricity





Poll: How do you think we should prioritize these issues when deciding where our electricity comes from?

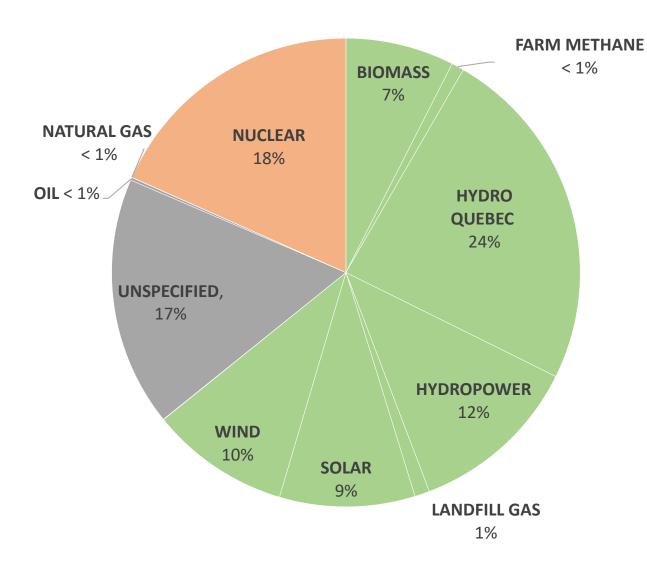
Affordable

Local economic development

Equitable

Reliable

Sustainable / Clean



What electricity do Vermont utilities generate or buy?

In 2021, Vermont distribution utilities purchased over **5.8 Million MWh** of electricity to meet the demand of their customers.

Of this:

64% came from renewable resources
18% came from carbon-free resources (Nuclear)

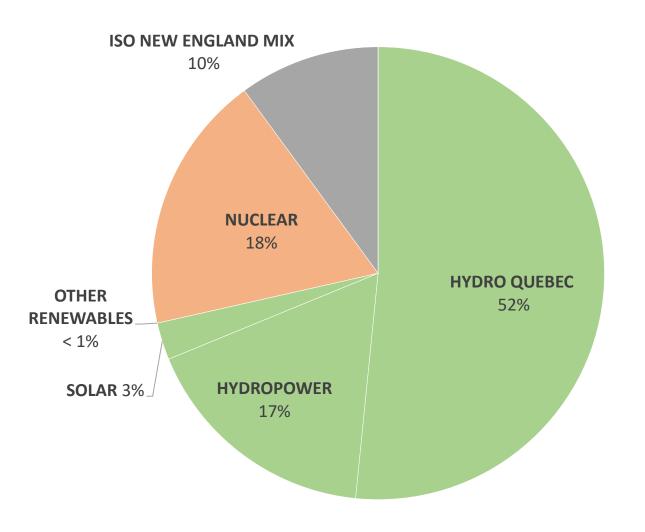
BUT FIRST..... What is a renewable energy certificate?

How renewable is our electricity based on renewable energy certificates (REC)?



RECs provide a mechanism to demonstrate that someone specifically paid for the electrons coming from renewable resources and prevents two different entities from claiming credit for supporting the same resource.

RECs can be sold together with the electricity (i.e. bundled together) OR separately from the electricity (i.e. unbundled).



How renewable is our electricity based on renewable energy certificates (REC)?

In 2021, Vermont distribution utilities retired just over 4 million renewable energy certificates (i.e. equivalent to just over 4 million MWh of electricity) to meet their obligations under Vermont's Renewable Energy Standard.

These RECs accounted for **71%** of Vermont's electricity in 2021.

Questions?

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Recap & Questions



Question 1: What is your biggest takeaway from today?



Question 2: Did anything you heard today surprise you?

Poll: Reflections on what you heard today

Circling Back to Our Objectives

We hope you learned about / refreshed your information on:



Core components of how the electric grid delivers electricity to Vermont homes and businesses



Different perspectives on understanding where Vermont's electricity comes from

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Next Steps

INTERESTED IN LEARNING MORE AND INFLUENCING WHERE VERMONT'S ELECTRICITY COMES FROM IN THE FUTURE?

Webinar Series

Webinar 2: Current Renewable Electricity Policies

- What are Vermont's current policies and programs on renewable electricity?
- How have they helped promote renewable electricity to date?
- <u>Dates, times, & registration</u>:
 - Tuesday February 14, 12:00 pm-1:30 pm
 - Wednesday February 15, 6:00 pm-7:30 pm

Webinar 3: Parking Lot Session

- Topics to be covered will be added as we get closer to the date.
- <u>Dates, times, & registration</u>:
 - Thursday March 9, 12:00 pm-1:30 pm
 - Monday March 13, 6:00 pm-7:30 pm

Register at: https://publicservice.vermont.gov/renewables

Thank you!

Questions or comments about next steps in the process to review renewable electricity policies and programs?

Interested in staying in the loop and hearing about upcoming events?

Email PSD.REPrograms@vermont.gov to reach out and/or be added to our mailing list.