

# TRORC - PSD RES Engagement Final Report

## Overview / Key Takeaways:

TRORC hosted two events in late September, both on weekday evenings. Both events were in the form of guided roundtable discussions, using the PSD-provided PowerPoint as structure and visual aid. The first event took place in Bethel; three members of the public attended. TRORC co-sponsored a second event in Windsor alongside the Mount Ascutney Regional Commission (MARC), which four members of the public attended (**note: full details of this event will be discussed in MARC's report**).

The attendees of the Bethel event were all well-informed about energy issues and have been actively engaged in the energy space for many years. All attendees agreed that carbon emissions should be the first priority in shaping future policy changes. They also expressed skepticism in the inclusion of biomass as a renewable resource; in particular, they questioned the accounting system used to calculate the lifecycle carbon emissions of biomass and asked whether this system takes into account externalities such as local air pollution and degradation of forest quality. Regarding the use of RECs to demonstrate compliance, one participant was vocally skeptical of the use of RECs from Hydro Quebec, citing the embodied carbon of building hydroelectric infrastructure and issues of indigenous sovereignty in Quebec.

In general, the participants expressed that a strong emphasis on reducing carbon emissions should guide state policy, but other externalities and issues of equity and justice must also be accounted for. They did not cite consumer cost as an important issue and pointed toward decentralized generation and cooperative ownership structures as a means of controlling costs while augmenting grid resilience.

## Approach to the Events:

In order to make the best use of the limited funds available, TRORC decided to co-sponsor one event with MARC in Windsor—just south of TRORC's region and located close to Hartford, our region's largest town—and host another event in Bethel, which is a federally-designated environmental justice community and close to the geographic center of our region. Bethel is also located roughly halfway between the Vermont Law and Graduate School and the Vermont State College at Randolph (formerly Vermont Technical College). Given that young people are typically underrepresented in planning-related public engagement, a conscious effort was made to advertise the event to students at both institutions. Flyers promoting the events were placed at key locations on both campuses and around the villages of Bethel and South Royalton. Flyers were also distributed to key locations in Windsor. Advertisements were placed in the Randolph Front Porch Forum, as well as the popular *Daybreak* newsletter and TRORC's monthly newsletter. Event details were sent directly to TRORC's local energy committee mailing list and, lastly, promoted on TRORC's social media accounts.

Both events were standalone, using the PSD-provided PowerPoint as a rough structure. Participants sat around a large conference-style table for a true roundtable discussion. A Zoom meeting link was available on request for interested parties who could not make the in-person event. One request was made for the link, but the person who inquired did not join the meeting. Pizza, appetizers, cookies, and beverages were offered at both events. A gift card for Price Chopper, which has a location in Windsor, was raffled off at the Windsor event as an additional incentive to participants. All advertising copy mentioned free food and the raffle in order to incentivize participation.

TRORC and MARC requested the presence of a PSD representative at each event. Anne Margolis attended the Bethel event and Claire McIlvennie attended the Windsor event. The representatives helped steer the conversation and provide context as needed.

### **Event Attendance**

Three members of the public attended the Bethel event. Two responded to the demographic survey, which provided information on race and ethnicity, income, age, education, and participation in local efforts. Given the small number of responses, these data are not reported here, but have been provided to the Department for consideration in aggregate with information from across the regional event series.

### **Reporting**

To structure the discussion, TRORC adapted the PowerPoint provided by PSD, editing for clarity where needed. These slides proved useful in providing context on the engagement process and in outlining the state's renewable energy policies at the beginning of the session. TRORC added slides with written discussion questions near the end of the PowerPoint. These were intended to be used to stimulate discussion if the conversation stalled, but the participants were knowledgeable enough about the issues to guide the conversation themselves and ask the PSD representative nuanced policy questions. Participants asked about the use of "peaker" plants, utilities' deployment of batteries, and the relationship between Vermont's RES and the Renewable Portfolio Standards (RPFs) of neighboring jurisdictions. These questions were fielded by Anne Margolis.

There was a general consensus among the three participants on many of the issues discussed. When presented with the question of tradeoffs between different generation technologies (carbon emissions, affordability, reliability, etc.), all agreed that carbon emissions should be the most important factor in shaping future policy. There was a strong emphasis from one participant that lifecycle emissions be accounted for in the compliance process. Land use and impact on natural resources, such as rivers and forests, were also named as important factors, as was resiliency to climate change and severe weather events. Affordability of electricity to ratepayers was deemed less important than these factors. However, multiple participants expressed concern that existing policies at the state and federal level, such as tax credits, primarily benefit the wealthy. There was consensus that policies should be shaped to democratize access to renewable energy so that lower-income residents do not bear the burden of ever-increasing fossil fuel prices as wealthier households decarbonize.

The discussion of net-metering yielded fewer clear policy prescriptions from the participants. One participant argued that resources devoted to underwriting utility-scale solar arrays by offering generous rates of over \$0.30/kWh should have instead gone to underwriting distributed solar. He also recommended revising net-metering policy so that utilities do not get RECs for homeowners' solar arrays. He was a strong proponent of distributed solar and net-metering because on-site generation and consumption is the "most efficient system that we can devise." The same participant raised concern about utilities selling RECs generated by net-metering; Anne Margolis clarified that this is currently not allowed and that net-metering RECs must be retired in-state. Another participant suggested that utilities be allowed to sell net-metering RECs, so they could use the proceeds to subsidize the up-front cost of solar installation for lower-income customers.

As the end of the session approached, participants were invited to give their final comments on any of the policies discussed. One participant asked if there is a way to use the Homestead tax to provide assistance to lower-income ratepayers; Anne responded that income-based rates are a topic of conversation at the state level, but utilities “don’t want to be in the business of verifying incomes.” Another participant questioned why Vermont considers Hydro Quebec renewable when other states do not. Anne responded that REC arbitrage is a product of the regulatory differences in states’ RPSs, and asked what merit participants might see in aligning Vermont’s policy with other surrounding states. This was followed by an explanation of the purpose of RECs in accounting for renewable generation.

The session concluded with an explanation of PSD’s next steps in reviewing the RES and other renewable energy policies.

Only one participant responded to the open-ended prompt in the survey requesting written comments on the state’s renewable energy policies. He wrote:

it would be best if new an updated RES clearly defined "renewable energy"(biomass burned for electricity is not renewable), "clean", and "carbon-intensive." For example, RECs from wind power should be kept in Vermont. Further, net metering agreements should capitalize on the benefits to the grid in regard to simplicity and effectiveness of the self-consumption of renewable energy generated onsite.

#### **Core Takeaways:**

- RES Priorities
  - Carbon emissions should be the most important factor in any RES revisions
    - Cutting trees to install solar arrays is generally seen as counterproductive to the goal of reducing emissions
  - Other environmental externalities should also be weighed heavily
    - Local air pollution in communities near fossil and biomass plants
    - Degradation in forest quality
    - Methane emissions from new hydro infrastructure
  - Equity concerns, such as Indigenous sovereignty, are also important
  - Cost to ratepayers is less important than environmental concerns
- Attitudes toward specific resources
  - Open to the use of nuclear to meet emissions targets
  - Heavy skepticism towards biomass, re: how to accurately account for lifecycle emissions, forest and habitat loss
- Distributed Generation & Grids
  - General support for increasing the RES Tier II requirement for distributed in-state generation
  - Policy should direct solar siting to existing open spaces such as rooftops and parking lots
  - Current net-metering policy primarily benefits high-income homeowners and should be revised to create opportunity for lower-income households to benefit from the transition
  - General support for community ownership models such as community solar arrays and electric co-ops; also support for microgrids and wider deployment of storage

All participants at the Bethel event had a high baseline knowledge of energy issues. However, this should not be taken as an indication of the broader public's level of understanding, as all of the attendees are active in climate and energy issues and some had professional experience in the clean energy sector. All participants had a nuanced understanding of net-metering policy and were already familiar with the use of RECs to demonstrate compliance with the RES—although they welcomed the additional context provided by Anne Margolis.

The participants held a common belief that carbon emissions should be the primary factor in shaping future energy policy, citing the existential threat of climate change. That being said, the participants were generally open to the use of nuclear to meet emissions targets, although they acknowledged the closing of Vermont Yankee and the difficulty of bringing new nuclear online. They shared a generally skeptical view of biomass, expressing concern that the lifecycle emissions of burning wood were greater than net zero. There was a general agreement that the current RES does not attempt to account for any externalities besides carbon emissions. One participant mentioned that forests cut for biomass could not be replaced one-for-one given the complexity of mature forest ecosystems. All participants agreed that forests, to the extent possible, should not be cut in order to accommodate solar arrays; instead, they recommended policy mechanisms that would allow solar to be deployed more broadly on rooftops, over parking lots, disused agricultural fields, and other existing open spaces. Other environmental externalities, such as local air pollution and methane pollution from lands inundated by new dam projects, were also mentioned as important concerns. Overall, such environmental issues outweighed economic concerns, such as ratepayer costs, in the participants' hierarchy of tradeoffs. Non-environmental externalities and questions of equity were also raised. Given Vermont's heavy reliance on Hydro Quebec for RECs, one participant expressed concern about the company's treatment of indigenous communities.

Participants were generally in favor of distributed generation; one participant mentioned that on-site generation and consumption is "the most efficient way to use power." They were also in favor of community ownership of generation and grid resilience efforts, such as microgrids. When it came to net-metering, the participants were concerned that current net-metering policies mainly benefit those who already have the resources to install solar (namely, higher-income homeowners) and recommended that policy be adjusted to provide benefits to non-homeowners and lower-income residents.

PSD's educational materials were generally helpful in developing discussion prompts and serving as a visual aid, however, due to the small number of participants and their high baseline level of knowledge, the session was a largely unguided, free-flowing conversation. More context, particularly for the concept of REC arbitrage, would have been helpful in explaining the discrepancy between the two pie charts at the center of the presentation. Future educational materials should do a better job explaining how and why RECs are used to demonstrate compliance with RES. They should also explain possible reasons why the state's resource mix looks so different than RES compliance as measured by RECs—and why this isn't necessarily a bad thing. In short, it would be helpful to clarify the difference between in-state generation, the annualized resource mix of grid power, and REC retirements.

### **Reflections on the Process**

While significant effort was made to connect with college students, it would have been ideal to hold one or more of the engagement events on campus—to ensure the event remained accessible to residential students and to draw students in on the day of the event. The short timeline of the PSD contract

precluded this possibility, as most on-campus spaces were already booked during prime weeknight slots for the months of September and October. Requests to campus officials to promote the events using student mailing lists went unanswered. Booking a space further in advance and partnering with an energy- or environment-centric student group would help ensure engagement and publicize the event through word-of-mouth and official student channels, such as mailing lists and school social media accounts.

Future public engagement efforts on electric utility regulation should include specific strategies for reaching renters and other groups typically disenfranchised from government engagement. Given that nearly every household in the state, including rental households, is a ratepayer, there should be recommended best practices for reaching these important stakeholders.

Finally, while TRORC was able to make use of free venues for both the Bethel and Windsor events and the cost of food was minimal given the small number of participants, it remained difficult to fulfill the contract requirements with the funds provided. Given the extensive time required for meetings and correspondence with PSD, review and revision of materials, publicity and outreach, event planning, and reporting, the \$5,500 contract should be considered the minimum amount required per event in the future (as opposed to the 1-2 events stipulated by this contract).

**Attachments:**

Attachment A: Survey responses

Attachment B: TRORC-created discussion prompts