

**EGSPC Packaging the Draft Recommendations**  
**(03-14-13)**

**Context:** Comprehensive Energy Plan

- *Goals:* 90% Renewables by 2050; 75% renewables in electric sales by 2032 (30 V.S.A. 8005(d)(4); legislated reduction in GHGs (75% by 2050; 50% by 2028)
- *Consequence for siting:* the types and quantity of dockets coming before PSB have changed dramatically, with considerably more land-use issues involved and an increase in electricity generation dockets from 0/year in the early 2000s to an average of 16/year in the past 3 years.

**Commission Goals:** (First, do no harm!) Provide recommendations for improving electric generation siting process with particular attention to (refer to Executive Order):

- Improving the role of public participation and representation in the process
- Improving process uniformity, transparency, and efficiency
- Adequate environmental and cultural protection
- Meeting State Energy goals, ensuring that the *best* rather than *easiest* sites are selected
- Avoiding unintended consequences and understanding financial resource constraints

**Draft Recommendations**

1. **DPS shall develop a Road Map for achieving State clean energy goals related to renewables as a share of electricity generation goals.**
  - a. Determine estimated share of *in-state* electric generation targets to guide RPCs
    - Incorporate economic and load analysis, as well as existing generation
    - Incorporate scenario development to determine potential technology mix and projected needs, as well as broad parameters for cumulative impact
      - Show positive benefits (reduced GHGs, jobs, etc.) along with costs (including out of state environmental costs), incorporate EROEI where possible
2. **RPCs shall undertake geographical planning to identify high potential/low potential electric generation zones**
  - a. By type of technology and regional geographic advantages
  - b. Use mapping tools/data such as: new ANR Biofinder Mapping Tool, VT Renewable Energy Atlas, EISPC 'Energy Zones Mapping Tool', VELCO transmission maps, VSPC's identified constrained areas on the electric grid, [ISO Regional System Plan](#)
    - Incorporate data on proximity to load and existing generation
    - Ensure that VELCO and utilities agree to support RPC plans with data as needed
    - Highlight priority areas where efficiency gains could be made with existing sites (e.g., McNeil Biomass), or low-hanging fruit (e.g., brownfields, public buildings, new construction, etc), new potential areas, as well as areas that should be protected
    - Build in cumulative impact scenarios
  - c. Engage municipalities/public early in the planning stages
  - d. RPCs/towns cannot say 'no projects' in the region (either directly or in effect)
  - e. DPS/ANR shall provide tools (mapping, scenario tools, transmission and load information) and training to carry this out as necessary
  - f. RPCs (~~and their plans~~) shall have automatic formal party status in all electric generation applications on siting issues only; [their plans should carry greater weight in the siting process.](#)

3. **The PSB shall modify the existing categories of electric generation siting into three tiers for applying for a Certificate of Public Good**

a. Current Four Tier Structure

- Net Metering projects <150kw and all other projects <150kw
- Simplified procedures (>150kw-2.2MW) – certain 248 criteria are waived
- Section 248J: expedited procedure for projects ‘of limited size and scope’ intended to be streamlined, but often does not work that way
- Section 248

b. **Proposed Tier System: to achieve a quicker, more efficient review of smaller or less controversial projects and focus PSB resources on evaluation of larger projects.**

- **Screening Process:** The automatic default by size of project is listed below. If a project meets certain criteria, it can be bumped from Tier 2 to Tier 1. If it does not meet minimum criteria, it can also be bumped upward.
- **Proposed Screening Criteria:** The idea is to incent projects that are likely to have greater success, by enabling them to move from Tier 2 to Tier 1:
  - Consistency with Regional/Town Plans (those that have participated in the above-mentioned RPC planning), Community led projects, Proximity to transmission, ANR score card, Proximity to load, Land-use (industrial, residential, commercial, rural), using existing structures
- **Case Manager:** The PSB shall hire a Case Manager to provide guidance on all aspects of the siting application process, particularly as they relate to timing, to all parties
- **Filing Fee:** All applicants shall pay a filing fee on a per MW basis (e.g., NY \$350/MW).

**Comment [LM1]:** Consider alternative to screening process, which may add complexity. Example: Sliding scale within Tier 2 to incent projects in conformance with RPC/Town plans

**Comment [LM2]:** Add Ag standards here too?

**Comment [LM3]:** Alternatively or in addition, consider an annual ‘gross receipts fee’ (along the lines of a franchise fee for wastewater, telecom). These fees should cover the additional costs of a Case Manager and other improvements in improving processes. (DPS will check to see if there are any interstate commerce issues related to this)

**Tier 1: Application Form Process (<500KW, or size of many school, municipal & farm-methane) - Non-Contested Procedure**

- Raise the Net Metering threshold. Keep same rules with two exceptions: any project >150KW needs to affirm on the application form that they have interconnection approval from the utility; incorporate ANR checklist in application

**Tier 2: Standard Process (>500kW to <15MW) – Contested Case Procedure**

- Combine ‘simplified procedures’ and Section 248J with improvements (e.g., define limited size & scope)
- Move from 45 to 60 days public notice to all affected towns
- Add specified public engagement requirements (e.g., demonstrate contact w/Selectboard and RPC, notification of adjoining property owners, description of public outreach, comments and how comments were dealt with)
- Provide intervenor funding for the pre-application phase (e.g., on a per MW basis like NY \$350/MW) and bill back for the application phase (e.g., either on cost share or ‘demonstrated positive impact’ to the case’ basis) to RPCs and towns
- Establish overall decision timeline for PSB approval: 6 months total

**Tier 3: Larger Scale Process (>15MW) – Contested Case Procedure**

- Enhance current 248 procedures
- Move from 45 to 90 days public notice to all affected towns, PSB hearing in host town
- Provide a Public Engagement Plan (PEP) to PSB 150 days prior to the 90 days notice. The PEP would be based on guidelines developed by DPS (using public engagement successes of NY and VELCO). DPS designates contracts a ‘facilitator’ to work with each applicant to ensure that the PEP is implemented effectively
- Provide RPC support/intervenor funding for the pre-application phase, on a per MW basis (eg., NY \$350/MW) and bill-back for the application phase (e.g., either on cost-share or ‘demonstrated positive impact to the case’ basis) to RPCs that have completed the planning process to cover

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**4. Establish specific process modifications to increase role for Public Participation**

- a. RPC and town energy mapping/planning processes, with automatic formal party status for RPCs on siting issues; RPC plans shall carry greater weight in the siting process
  - b. *Earlier notification* to public and specific public engagement requirements in Tier 2 & 3
  - c. *Case Manager* in PSB to assist all parties: clarify process information from earliest stages
  - d. Tiered system with *screening criteria* that place emphasis on Regional/Town plans.
  - e. Tiers with increasing requirements for *public engagement* as projects become more complex. Incentives are built in for community led projects.
  - f. Include *on improved website* all permit, required study, and precedents information for both PSB & ANR. Include FAQs to explain process in lay terms (see ex. of NY, NH & CT)
- ~~g. Options to mediate/settlement judge (see NY example)~~  
~~h.g. Intervenor Funding/Bill-back (either on a pay first, or cost sharing basis) for towns/RPCs~~

**5. Establish specific modifications to increase transparency & efficiency in the siting process**

- a. Create position of *Case Manager/Online Docketing Manager* in PSB to provide clearer, more accessible information on application process to all parties (avoid 'black box')
- b. *Develop and publish guidelines/checklists* of standard documents required (PSB & ANR) to determine when a docket is 'deemed complete' (may need to vary by technology)
- c. Establish *statutory timelines* for all involved parties (applicants, intervenors, ANR, PSB) with consequences if not met. For example, PSB shall hold a pre-hearing conference in 14 days of application 'deemed complete', ANR shall respond to permit application within X days). Include these on the improved website as part of *on-line docketing*.
- d. Require *concurrent timing of ANR Permit filing and CPG: Applicants would be required to have filed all the necessary ANR permits as part of the CPG application that is 'deemed complete'. ~~temporary~~ permitting between ANR and CPG (similar to one stop shop)*
- e. ~~Use *rebuttable presumption*: if applicant obtains permit from ANR prior to completing the CPG process, the PSB will accept, and not reopen the application again if the project is not changed.~~
- f.e. ~~*If contemporaneous permitting, then establish only one appeal*~~

**Comment [LM4]:** DPS will check on whether this requires statutory change.

**Comment [LM5]:** DPS will write a short description of the existing website changes expected

**6. Update Environmental Protection (and other) standards on a by technology basis, and provide summary guidance on website (under tiered approach)**

- a. Suggested improvements on developing specific guidelines in the following categories:
  - Setbacks, noise, fragmentation, wildlife, highest levels of efficiency, GHG emissions, road construction (least intrusive & limited access), etc. based on peer-reviewed, scientific standards.
  - Health: DOH shall review national standards from peer-reviewed literature regarding health impacts & monitoring systems by technology and provide guidelines where possible, to be updated annually as science evolves; Applicants will provide public health impact assessments (see 30 V.S.A. 248(b)(5))
- b. Cumulative Impact – in planning and monitoring
  - ANR shall provide detailed guidelines on what to assess and 'undue' impact
  - Areas to cover: environmental, cultural

**7. Improve how pre-construction, construction phase and post-construction compliance monitoring and permit enforcement is funded and implemented**

- a. All parties should agree on 3<sup>rd</sup> party monitoring experts to be hired/paid for by the petitioner, and overseen by the appropriate agency (ANR, PSB, DPS, Health) Shift monitoring administration and contracting to regulators rather than the applicants. PSB or ANR hire or oversee 3<sup>rd</sup> party monitors

| under bill-back; assign complaint responsibility to agency [\(or Case Manager?\)](#)  
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**Other Points to mention that are indirectly related to charges:**

- RECS/RPS: Support PSB recommendation to move to an RPS ([Highlight issue, but inconclusive discussion on RPS](#))
- Address Dept Health and Ag Dept recommendations ([Health covered above; add Ag issues](#))
- Board membership or separate siting board ([No change to PSB composition, no separate siting board](#))

**Questions:**

**Overall**

1. Can the recommendations be sufficiently resourced (RPCs, Case Manager, PSB staff, Mapping, etc)? At what levels, and from where? ([Filing fee, Franchise fee, Bill-back](#))
2. How to incentivize efficiency (eg. could town gain standing by meeting efficiency standards? How to promote investment in improving efficiency of McNeil Biomass?) ([needs more work...give priority in planning, and 'carrots' to move to lower end of tier; allow towns to meet RE goals through efficiency measures?](#))

**State Planning**

1. If the state/region estimates a certain target for in-state renewable generation, what happens once that target is met and a merchant generator wants to develop a further project? ([?](#))
2. What formula should be used to determine targets by region (load? Existing generation?) ([not discussed](#))

**RPC Planning**

1. Who approves RPC [energy plans](#) and based on what criteria? ([DPS or existing structure?](#))
2. Should the RPC planning come BEFORE the state planning? ([iterative process](#))
3. How to incent RPCs to carry this out (e.g. if participate, eligible for intervenor funding?) ([Plan carries weight, RPC gets automatic formal party status, projects within RPC plans get expedited, intervenor funding](#))
4. How do towns fit into this process? What carrots can be available to incent community driven projects? ([still under discussion](#))
5. What level of resources to RPCs need to accomplish this; from where? ([appx \\$25,000-\\$30,000/RPC for planning exercise](#))

**Tiers**

1. Are the tier levels appropriate? Is this something the EGSPC should be determining? ([keep at current levels for draft and assess reaction](#))
2. Should tiers be defined by nameplate capacity or by other factors (e.g., area disturbed, proximity to residences or priority natural areas)? ([no discussion](#))
3. What specific improvements to the 248J and 'simplified procedures' should be made if they are combined? ([no discussion](#))
4. Should there simply be one up front filing fee to cover all costs (intervenor funding, monitoring & compliance, bill-back), or should there be separate fees? ([no, there needs to be a combination, as yet to be finalized, of Filing fee, franchise/Gross receipts fee, bill back and possible RPC support funding](#))
5. [Under Tier 1, should there be an explicit mention of keeping pricing incentives at 150kw?](#)

**Process Improvements**

1. Is the Case Manager best housed in the PSB? ([yes, though not final decision](#))
2. Should a staff person with siting experience/knowledge be added to PSB? ([not discussed](#))
3. Should there be a separate siting commission for larger projects? (Tier 3 only or also Tier 2) ([no](#))

**Update Environmental Protection Standards/Cumulative Impact (CI)**

1. Do we need a statutory framework to consider environmental benefits (e.g., WEC and RPC comments)? [\(not discussed\)](#)
2. Should public lands be given a blanket exclusion from energy generation siting? [\(not the case now\)](#)
3. Should CI be applied only to energy when it is not currently applied to other infrastructure (eg. highways)? [\(not discussed\)](#)
4. How are out-of-state environmental impacts and CI incorporated from sources we import? [\(not discussed\)](#)
5. At what stage in the planning process should CI be incorporated? (e.g., If a landscape explicit energy plan precedes the permitting process, addressing CI re. the desired types, numbers, scales and locations of energy facilities, then a project level CI assessment would only need to provide updates). [\(at planning – State level and RPC level – as well as at project level\)](#)
6. Are there other areas that cumulative impact should cover? (e.g., wildlife impact, aesthetics, or health issues) [\(yes, but no final conclusion\)](#)
7. What level of detailed recommendations should EGPSC be giving by technology? (e.g. including nuclear?) [\(not discussed\)](#)
8. Are there issues specific to siting plants that generate power from stored energy or batteries? [\(not discussed\)](#)
- ~~8-9~~ Are there remaining environmental issues included in Act 250 that may need to be brought into the 248 criteria (e.g. Projects above 2500 ft, headwaters) [\(not discussed\)](#)

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