

STATE OF VERMONT  
ENERGY GENERATING SITING POLICY COMMISSION  
Deliberation Session #9

VOLUME I

April 16, 2013 - 9 a.m.  
Giga Room, 112 State Street  
Montpelier, Vermont

Commission Members

Jan Eastman, Chair  
Louise McCarren, Vice Chair  
Tom Bodett  
Scott Johnstone

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1 Also present:

2 Linda McGinnis

3 Anne Margolis

4 Billy Coster

5 Kim and Nancy Fried

6 Ann Rademacher

7 John Lewendowski

8 Kathleen Iselin

9 Chris Company

10 Kerrick Johnson

11 Avram Patt

12 Guy Page

13 Karen Horn

14 Leslie Morey

15 Sheila Grace, DPS

16 Robert Dostis, GMP

17 Charles Pughe, GMP

18 Asa Hopkins, DPS

19 Gabrielle Stebbins

20 Secretary Deb Markowitz, ANR

21 Commission Chris Recchia, DPS

22

23

24

25

1                   CHAIRMAN EASTMAN:  So we have got the  
2                   fourth draft and -- the fourth draft.  So  
3                   should we -- is this one where we start at  
4                   the beginning?  At 10:00 we have got people  
5                   coming in from VELCO, we have got other  
6                   people here, and -- to talk about, you know,  
7                   we talk about this planning process, and so  
8                   we might get some advice from them or if  
9                   there is more, we can flesh out or more  
10                  direction to the Department about what we  
11                  want.  And I think we have got Regional  
12                  Planning Commission people too coming.

13                 MS. MCGINNIS:  Yeah.

14                 CHAIRMAN EASTMAN:  For 10.  So the  
15                 people who might -- who have done planning  
16                 around this kind of thing.

17                 MS. MCCARREN:  The people who actually  
18                 know what they are talking about.  Those  
19                 people.  Good.

20                 CHAIRMAN EASTMAN:  People who know a lot  
21                 more than we do.

22                 MS. MCCARREN:  That is right.

23                 CHAIRMAN EASTMAN:  So around 10 and/or  
24                 when they get here, they are taking the  
25                 time, so I want to have them talk to us or

1 help us while they are here, and then they  
2 can get out of here.

3 Anything else that we want to do before  
4 we just get into it? I E-mailed one more  
5 thing to you guys this morning. You may not  
6 have gotten it, but it related to when I was  
7 looking at VNRC's most recent --

8 MS. McCARREN: When did you E-mail?

9 CHAIRMAN EASTMAN: Like 7:13 this  
10 morning. It was just a quickie thing, and I  
11 have since looked at 248 again, always  
12 amazes me when I look at that statute. And  
13 of course, 248, it's just the issue of the  
14 weight to be given to Act 250 criteria. And  
15 right now it's due consideration for Act 250  
16 criteria as part of the review at 248, just  
17 like it's due consideration for plans. And  
18 so --

19 MS. McCARREN: I didn't get it.

20 MR. JOHNSTONE: You were copied. We  
21 were all copied.

22 MS. McCARREN: I see it. I see. I've  
23 got it.

24 MR. JOHNSTONE: I had to look in a  
25 different in box.

1           CHAIRMAN EASTMAN: You see the language  
2 is that what the Public Service Board has to  
3 do with respect to an in-state facility,  
4 make a finding that it will not have an  
5 undue adverse effect on aesthetics, historic  
6 sites, air and water purity, the natural  
7 environment, the use of natural resources,  
8 and the public health and safety with due  
9 consideration having been given to, you  
10 know, some of the Act 250 criteria.

11           And so I just wanted to put -- and VNRC  
12 has some suggestions or some recommendations  
13 about actually having all the Act 250  
14 criteria reviewed and maybe there will need  
15 to be changes there for all development.  
16 But it just made me think that if maybe the  
17 environment needs to have a little higher,  
18 you know, consideration. Maybe that would  
19 help as well going from due to substantial.  
20 So think about that --

21           MS. MCGINNIS: Maybe we can talk about  
22 that when we get to the recommendations in  
23 the environmental section and see how that  
24 might or might not be incorporated.

25           MS. MARKOWITZ: The other general

1 comment I would like to make, first of all,  
2 I just want to get on the record an  
3 incredible thanks and congratulations for  
4 Linda for getting us to this day. I know in  
5 our E-mails it was there. It's like herding  
6 cats, we know that, but it's also trying to  
7 articulate something that's clear. And  
8 something that was missing and I didn't  
9 think it made sense to do it in a comment,  
10 because I didn't know quite where we would  
11 put it, but we talk a lot about the purpose  
12 and the context and don't talk about climate  
13 change, and really this is all about climate  
14 change. And at the end of the day the  
15 arguments are that we are making, you know,  
16 there is an environmental impact every time  
17 we develop anything. Right? There is some  
18 environmental impact.

19 So when the Siting Commission, when the  
20 Public Service Board makes its decision, you  
21 know, it's weighing this against the risks  
22 from the continued use of fossil fuels and  
23 greenhouse gas emissions and so forth. So I  
24 would love it if front and center somewhere  
25 there is some conversation about climate

1 change. I'm happy to help break that up.

2 MR. BODETT: Excellent point.

3 MS. MCGINNIS: Scott brought it up last  
4 time too.

5 MS. MCCARREN: Let me tell you what, I  
6 have no problem with what you're saying.  
7 But that opens up the issue that Jerry  
8 Tarrant raised with us in his testimony,  
9 which is if what we are solving for is  
10 greenhouse gases, is this the most cost  
11 effective and least environmental way to  
12 address that issue in the State of Vermont?  
13 And I have purposely stayed away from that  
14 because if it's only four percent of the  
15 greenhouse gases in Vermont are coming from  
16 electricity, and the really big payoff is in  
17 conservation, efficiency, and transportation  
18 and home heating, then that's where that  
19 draws us. Okay.

20 And I understand what you're saying.  
21 And you know, and yes, that's what we are  
22 trying to do in this state. But if -- but  
23 then that raises for me the question of  
24 well, okay, should -- when you're looking at  
25 siting, shouldn't you also ask; have you

1 done every possible thing that you can with  
2 respect to efficiency and conservation  
3 first.

4 MS. MARKOWITZ: So there has already  
5 been a public policy conversation about  
6 this, and it's been the decision in the  
7 context of the energy plan has been all  
8 hands on deck. We do it all. And the  
9 vision is a conversion, so that we are going  
10 to be converting to an electric vehicle,  
11 electrification for the fleet, so there will  
12 be more focus on electricity. That to the  
13 extent that we can move heating, you know,  
14 to heat pumps, we need to be doing that to  
15 solve those bigger greenhouse gas -- gas  
16 emission problems. That's already part of  
17 -- that's already been policy that's been  
18 decided. We are not deciding that fresh.

19 Just like we are not relooking at the  
20 energy plan. We are not relooking at the  
21 targets for in-state renewables. But that's  
22 the context. Is that -- and so maybe that  
23 needs to be there -- that's the amendment  
24 from Louise, I'm sorry, I didn't mean to hit  
25 you.

1 MS. McCARREN: Hit me any time you want.  
2 It's okay.

3 MS. MARKOWITZ: I was going to pat your  
4 back but then you --

5 MR. RECCHIA: The fact that her hand was  
6 moving at 80 miles an hour.

7 MS. McCARREN: And I accept -- I  
8 understand all of that. And I don't have  
9 any problems with all hands on deck, let's  
10 do everything. But I think it's just, you  
11 know, that's what we -- if we want to put  
12 that context here, then we need to put the  
13 whole context in.

14 MS. MARKOWITZ: I agree. So as part of  
15 that whole context we should talk about this  
16 as one piece of the puzzle that efficiency  
17 is, of course, another, and this broader  
18 policy to move towards electrification of  
19 our fleet and moving off of greenhouse  
20 gases.

21 CHAIRMAN EASTMAN: And that goes -- in  
22 part that's really part of the context for  
23 the big report.

24 MS. MARKOWITZ: And it's absolutely  
25 true. The reason why we are under so much

1 pressure in our Agency is because there is  
2 these new projects, you know, that are being  
3 proposed, is because we are driving towards  
4 an electrification. That's the long-term  
5 goal.

6 MR. BODETT: And also I think it was  
7 Jerry Tarrant as well made it clear in his  
8 -- this money that is going into this  
9 electrical generation is not available for  
10 efficiency. It's other money. It's not  
11 like well we shouldn't put money into that  
12 because we should put it into efficiency.  
13 It's not our money.

14 This is mostly private money that's  
15 doing this, doing the renewable development  
16 right now with help from the Governor.

17 MR. RECCHIA: So I agree with what you  
18 said about including something on climate  
19 change. The only thing I would push back a  
20 little bit is that it's all about climate  
21 change. I think maybe you're just doing --  
22 being I think climate change is an important  
23 component about it, but for me this is also  
24 about energy security, energy stability, and  
25 a variety of other issues that I think

1 climate change is an important component of.

2 So I just wouldn't want to see it  
3 phrased as we are -- the reason we are doing  
4 this is entirely about climate change.

5 MS. MCGINNIS: No. But I think it is  
6 pretty clearly laid out in the Comprehensive  
7 Energy Plan all of these arguments. And I'm  
8 happy to put that in. But Louise, I know  
9 that one of your concerns is the cost and  
10 need, and I don't know if you've drafted a  
11 piece on that yet or not. And so I would --

12 MS. MCCARREN: I owe you guys that. I  
13 have had some family things going on.

14 The cost price issue is something that I  
15 think just needs to come in here in the  
16 context of what we have already said.  
17 Because what we have already said is that in  
18 siting, we want the most efficient and least  
19 environmentally damaging site. I mean  
20 that's part of this. And I think that all  
21 -- that the cost effect on retail rates  
22 should be a consideration in siting. I  
23 think we have already agreed on that issue  
24 with respect to the location in the grid.  
25 Because there are locations that are far

1 more economically beneficial than other  
2 locations, right? So and -- if you --  
3 retail electric rates are not a piggy bank.

4 MS. MCGINNIS: Are not what? Sorry.

5 MS. MCCARREN: Piggy bank. I should  
6 have brought a piggy bank with me today.  
7 And what I mean by that is if you  
8 continually assign to retail electric rates  
9 costs that are -- that drive that price  
10 further and further from the production  
11 cost, it creates serious dislocations. And  
12 even though natural gas is -- emits  
13 greenhouse gases, Vermont does not live in  
14 isolation, and to the extent that natural  
15 gas is \$4 it produces three cents a  
16 kilowatthour. And let's say it's not \$4.  
17 Let's say it's \$8. Okay. You still cannot  
18 -- Vermont does not exist in isolation.

19 And that's a point that I think is  
20 really important. And where it comes out is  
21 in high retail rates. And if you have  
22 retail rates that continue to climb and  
23 further diverge from the production costs,  
24 you get all kinds of dislocations. I mean  
25 we saw that in the late '80s. And I think

1 that's important on siting because in siting  
2 we already know where you put it is going to  
3 make a big difference in how economic it is.  
4 Right now Lowell and Sheffield don't run a  
5 lot because of where they are located.

6 So all I'm saying is I think it's an  
7 issue, it's not a central issue, but I would  
8 like to see it expressed here because we  
9 can't ignore that, let me put it this way.  
10 If you ignore retail price, you do so at  
11 your peril is what I'm saying.

12 I don't know whether you guys agree with  
13 me or not, but I think it's just -- it's  
14 really easy to say, for instance, on the  
15 farmers, everybody is sympathetic to the  
16 farmers, but let's just have all the other  
17 ratepayers pay for the generator leaks. You  
18 know, we lived that movie in the '80s and it  
19 cost us dearly.

20 That is my soap box, and I will not say  
21 it again, and I will draft some language. I  
22 would like to see this in here. It can be  
23 here in the context where we refer to  
24 efficiency of siting.

25 MS. MARKOWITZ: So can you just describe

1 what happened in the '80s for those of us  
2 who weren't here?

3 MS. McCARREN: You were in high school.  
4 Well what happened is --

5 MS. MARKOWITZ: I was in college.

6 MS. MCGINNIS: You were also in high  
7 school.

8 MR. RECCHIA: I was busy accumulating  
9 student loans.

10 MS. McCARREN: What happened in the  
11 early '80s we had just come off the major  
12 disruption of Mideast oil, so it was a huge  
13 disruption, came into the early '80s.

14 We had inflation rates, we had fed  
15 discount rates that were 16 or 18 percent.  
16 It doesn't matter. But what happened is we  
17 as a country turned to remodel our energy  
18 consumption, and what happened in the  
19 electric industry is a number of policy  
20 decisions were made, including ones that I  
21 was responsible for, that -- PURPA was one,  
22 a lot of demand-side management was another,  
23 where these costs were built into the retail  
24 rates, and they were built into retail rates  
25 on the assumption the oil was going to be a

1 hundred bucks a barrel. It was in the early  
2 '80s.

3 Well the end of the '80s oil went to 19  
4 dollars. So what happened is you had retail  
5 rates that were significantly higher than  
6 the production cost, okay? And in Louise's  
7 view, my view, that was a huge contributor  
8 to the restructuring, because large  
9 industrial customers, commercial customers  
10 said we are not going to pay those kinds of  
11 retail prices. You have to do something.  
12 You have to let us have direct access to the  
13 generation, which is the whole direct access  
14 movement, or you have to restructure this  
15 industry so that the generators are  
16 merchants, so we can have access to them and  
17 get lower prices.

18 Well that happened, what happened is all  
19 these quote, stranded costs, right, got  
20 rolled -- stayed in some retail rates. But  
21 you had restructuring. You think  
22 restructuring was good news? Bad news? The  
23 jury is out on that one. But it's  
24 different. So I'm just saying that at this  
25 price spread we cannot mandate that the

1 people in the State of Vermont buy  
2 electricity. And to think that you can  
3 continually let those prices climb when,  
4 whether we like it or not, oil and gas is  
5 continuing to decline in price, is very  
6 problematic.

7 Okay. That's my speech and I won't  
8 repeat it as asked.

9 CHAIRMAN EASTMAN: Right.

10 MR. JOHNSTONE: So I think it's useful  
11 to include that sort of thought in the  
12 report. For me, I know the history.

13 CHAIRMAN EASTMAN: I lived it.

14 MS. McCARREN: A lot of us lived it, old  
15 people lived it.

16 MR. JOHNSTONE: And we don't know if the  
17 opposite will happen too. We don't know if  
18 we will be stranding natural gas and oil  
19 costs in the future if we start valuing  
20 carbon, if climate starts happening more  
21 quickly -- not more quickly than I think,  
22 because I think it's already here, but more  
23 quickly than the experts think. It's as  
24 likely we are going to have tumult on that  
25 side as on the bottom side.

1           For me what you talk about there that  
2 resonates for me is the important aspect it  
3 may not be what you're meaning. So just  
4 what, so you know, it resonates for me.  
5 There is a short-term and a long-term aspect  
6 of electric rates, right. And we can't  
7 drive every business and every person out of  
8 the State of Vermont as we go through the  
9 market transformation. Because I think of  
10 this as a market transformation.

11           We need to move to a broader and broader  
12 renewable complement as a state, as a  
13 region, I totally agree we are not on an  
14 island by ourselves, as a state, a region,  
15 and a country and a world, we need to keep  
16 making this market transformation. And the  
17 process of doing that costs something. You  
18 know, we didn't get from the first computers  
19 to the iPhones overnight without investment.  
20 There were periods where it was too  
21 expensive frankly, and we figured out how to  
22 make the transition for whole lots of  
23 reasons.

24           The same will be true of an energy  
25 future, and there is a piece that's worth

1 paying, for in the short term that can't put  
2 us in such a fiscal disadvantage that we  
3 create dilatorius effects in the state and  
4 in towns and for people, and there has to be  
5 some rationality to the path forward.

6 That's where I meet you. And -- but on  
7 the longer term, I still believe for all the  
8 reasons that I've talked about before, and I  
9 promise I won't say again --

10 MS. McCARREN: It's okay.

11 MR. JOHNSTONE: -- I do think we need to  
12 have the transition, and I think frankly we  
13 are really overdue and late, and we are  
14 going to start feeling that worse and worse  
15 every single quarter.

16 MS. MCGINNIS: Sorry, you said we do  
17 have to do what?

18 MR. JOHNSTONE: We do have to make this  
19 transition.

20 CHAIRMAN EASTMAN: For me, it is -- I  
21 don't disagree at all about the issue, the  
22 issue is money. But guess what, whoever is  
23 paying their light bill is also paying their  
24 tax bill at a various number of levels, for  
25 me a dollar is a dollar is a dollar. And

1 this is just a small piece. This is --  
2 siting is just a small piece of much bigger,  
3 you know, issues.

4 And as we have already said there are  
5 plenty of things that we have heard about  
6 from people that really don't fit in our  
7 purview, you know, in this direct charge  
8 that has to be considered. So somewhere,  
9 sometime, yeah, now I want the old policy  
10 office back. I want somebody, you know, to  
11 stay looking the 5,000 foot view to see how  
12 all the pieces fit, because it's not as  
13 simple as saying you can do this, and it's  
14 not going to affect over there. And that's  
15 --

16 MS. McCARREN: But I'm just saying I  
17 agree with you -- both of you. Siting is a  
18 small piece of this whole thing.

19 MR. JOHNSTONE: Agreed.

20 MS. McCARREN: However, we should say  
21 that we are making siting choices that -- we  
22 have already said it, the most economic  
23 sites that need to be chosen, and that's  
24 really all. I don't need to say the rest of  
25 my diatribe. We have already said it

1 matters.

2 CHAIRMAN EASTMAN: Location matters. It  
3 can matter environmentally, it can matter  
4 cost wise.

5 MR. JOHNSTONE: And that's what the  
6 planning is about. That's why we have had  
7 so much focus on planning is to get to the  
8 best, most cost-effective sites.

9 CHAIRMAN EASTMAN: I already said our  
10 electric rates are going to go up because of  
11 new transmission issues.

12 MR. DOSTIS: That's actually the biggest  
13 rate driver right now significantly.

14 CHAIRMAN EASTMAN: So that gets us to  
15 location for some of these things too, but  
16 it's going to happen.

17 MR. DOSTIS: Those are the regional  
18 transmission costs.

19 CHAIRMAN EASTMAN: Exactly.

20 MR. BODETT: Yeah, I think the cost  
21 comparisons are going to get even more  
22 favorable to the old fuel technologies as  
23 they get squeezed out of the market. I mean  
24 obviously Vermont's, with it's CEP, has made  
25 a policy decision to move away from fossil

1 fuels, so supply and demand, fossil fuels  
2 are going to get cheaper as they get less  
3 and less of the market here and everywhere  
4 else.

5 If you keep comparing, we could get it  
6 cheaper if we are burning gas, that  
7 statement will be more true before it's less  
8 true as we phase out of that.

9 MS. McCARREN: All I'm saying is that if  
10 customers have access to cheaper  
11 alternatives, they will begin to make those  
12 choices. They will heat their hot water  
13 with gas or propane or fuel oil. They will  
14 make those choices. And it will further  
15 erode the revenue of the electric company.

16 And I'm not saying -- I'm just saying  
17 that that could happen. And whether it's  
18 part of the transition and that's part of  
19 this evolution, that's fine. But I don't  
20 think -- I think all we need to say in this  
21 is in siting be cognizant of the cost effect  
22 on retail rates.

23 MS. MCGINNIS: I think that's fine.

24 MR. RECCHIA: That's good. I feel the  
25 need to say something just because I

1 haven't.

2 MR. JOHNSTONE: We are so close to  
3 agreement.

4 MS. MCGINNIS: Please, please.

5 MR. RECCHIA: I agree with you. I think  
6 that ultimately we need to though align --  
7 the financial policies need to be the right  
8 incentives. We say in one quick sentence,  
9 and I heard it a couple of times here, we  
10 want to find the best, most cost efficient  
11 siting. We want to find the best, most cost  
12 efficient energy generation. The best and  
13 most efficient are not necessarily the same  
14 right now. They should be.

15 There is no reason why the economics  
16 should not follow the best, right? The best  
17 shouldn't be the cheapest, it's not, and  
18 that's a function of our policies  
19 nationally, and I think those need to change  
20 over time to align them, and that's my five  
21 -- 50,000 foot level.

22 CHAIRMAN EASTMAN: Okay. Would you like  
23 to get to the fourth wrap?

24 MR. RECCHIA: No, I think we are done.  
25 We are in agreement.

1 MS. McCARREN: I had put that at the top  
2 of my comments. And okay, thanks.

3 CHAIRMAN EASTMAN: Okay. So how do we  
4 want to do this? There is some things here  
5 in red. There is some things here in blue.  
6 Linda, what do you think? Do you want us to  
7 just go through it page by page?

8 MS. MCGINNIS: It would be very helpful  
9 for me to go through it page by page and  
10 where there is comments in the margins if  
11 there needs to be a discussion or  
12 clarification, that would be very helpful.

13 CHAIRMAN EASTMAN: Okay. So on the  
14 first page.

15 MR. RECCHIA: Can I ask a procedural  
16 question? I'm sorry.

17 CHAIRMAN EASTMAN: Sure.

18 MR. RECCHIA: I thought last time we met  
19 we had some other issues that we felt like  
20 we needed to do first. Am I not remembering  
21 that correctly? Or is that old news?

22 CHAIRMAN EASTMAN: We have people coming  
23 in at 10 to talk about planning.

24 MR. RECCHIA: Okay.

25 MS. MCGINNIS: Are you talking about the

1 other section which is agriculture and  
2 energy and storage and stuff?

3 MR. RECCHIA: Yeah, you had said you  
4 wanted to deal with them first last time.  
5 Maybe you've changed your mind, which is  
6 fine, not that we ever change our mind.

7 MS. MCGINNIS: I think it would be more  
8 helpful to go from the beginning.

9 MR. RECCHIA: That's fine.

10 MS. MCGINNIS: Just because there is  
11 some key stuff that needs to be fleshed out  
12 to make sure that we can go forward.

13 MS. MCCARREN: Editorial things like the  
14 draft needs to -- I'm sure you've done this,  
15 go through, and we use the term electricity  
16 and then we use the term energy.

17 MS. MCGINNIS: Well sometimes that -- I  
18 need clarification on.

19 MS. MCCARREN: Okay.

20 MS. MCGINNIS: Because right now it is a  
21 Comprehensive Energy Plan.

22 MS. MCCARREN: That's right.

23 MS. MCGINNIS: And what I'm  
24 understanding, and I need to make sure that  
25 this is the same around the table is that

1 what the Department will be doing is looking  
2 at an energy plan, but a sub-part of that  
3 will be an electric plan. And I need to  
4 know if that's correct or incorrect.

5 Because Louise is absolutely right, I  
6 use them sometimes interchangeably knowing  
7 -- full knowing that they are not the same  
8 thing. And this all circles around what is  
9 the role of the Department in its  
10 interaction with the Regional Planning  
11 Commissions, and what the plan is going to  
12 be, so, I need some clarity on that.

13 Thank you, Louise, for bringing that up.  
14 But I think we will get to that with the  
15 comments in here. So for example, this very  
16 first comment which is Louise's, the 90  
17 percent of the state's energy needs come  
18 from renewable energy. It's energy. And I  
19 fully understand that that's energy.

20 MS. McCARREN: That's really important.

21 MS. MCGINNIS: However, what I'm  
22 suggesting is that there is maybe a second  
23 paragraph right after that that talks about  
24 electricity, bringing up the issues that --  
25 exactly what Deb was bringing up, that as

1 part of the Comprehensive Energy Plan the  
2 whole notion is that in projecting towards  
3 the future there will be an increased demand  
4 for electricity because you're shifting  
5 thermal into electric-based thermal, you're  
6 shifting transportation from fuel-based to  
7 electric based, and this is -- I know you  
8 don't necessarily believe this -- but this  
9 is what the plan says, and so that's the  
10 rational for looking more intensely.

11 And Asa can also confirm this that  
12 projections of electricity use are actually  
13 going up, even with all of the conservation  
14 measures you can throw in there, even with  
15 everything else you can throw in there, in  
16 large part because the bulk of energy use, a  
17 large portion of that is going to transfer  
18 to electric use. So I don't know, and if  
19 you want me to add a paragraph there, it's  
20 tricky because of the conversation we're  
21 having.

22 MS. McCARREN: I think we have actually  
23 -- actually done it. Because we talk about  
24 90 percent in energy. Okay. And then we go  
25 down, and what we do know, what we know, is

1 that we have got statutorily required in-  
2 state generation, all right? And we know  
3 that that's going to happen. We know -- and  
4 we know the roll out of the standard offer,  
5 and we know that those things alone are  
6 going to drive more siting requests.

7 CHAIRMAN EASTMAN: Can I just, Linda,  
8 you already have that paragraph here.

9 MS. McCARREN: She already has it.

10 CHAIRMAN EASTMAN: Other contextual  
11 facts, isn't that what that paragraph is?

12 MS. MCGINNIS: I guess what I'm trying  
13 to get at is this whole notion of  
14 electricity within the Comprehensive Energy  
15 Plan. I don't know, Chris, if you want to  
16 --

17 CHAIRMAN EASTMAN: This part down here  
18 was, what I'm reading, sounds a lot like  
19 what you just said. And I don't disagree  
20 with it at all.

21 MS. MCGINNIS: Okay.

22 MS. McCARREN: I was okay with this the  
23 way it's drafted. I just wanted -- when we  
24 use energy -- to make sure that's what we  
25 are talking about, and when we use

1 electricity --

2 MS. MCGINNIS: It comes up even more  
3 later on, Chris. I don't know if you want  
4 to react to what I've just laid out as my  
5 confusion.

6 MR. RECCHIA: Yes, I do. So I have been  
7 trying to keep up with the drafts, and I  
8 keep on making changes to a draft that gets  
9 changed, so I apologize. I've got -- I've  
10 got some word changes that are on the scale  
11 of what we are doing here are editorial in  
12 nature, I think not substantive, but they  
13 have a substantive component to them, and  
14 I'll just give you an example in this  
15 particular case.

16 So the 90 percent renewables goal by  
17 2050, I'm suggesting some word changes that  
18 change the context. Like the statutory  
19 targets where you start with meeting the 90  
20 percent goal does not mean all renewables  
21 need to come from the state, nor does it  
22 mean they must come from the electricity  
23 sector. I'm suggesting changes that get at  
24 your point.

25 Let me just read like a more positive --

1 I'm trying to make it more positive but also  
2 put it in context electricity component  
3 versus others. So I suggest changing that  
4 sentence to meeting the 90 percent goal by  
5 2050 is flexible about the proportion of  
6 renewables that come from in-state sources  
7 and the proportion of renewables provided  
8 from the electricity sector.

9 And unfortunately, the version that I  
10 have on my iPad does not show the track  
11 changes like the document that I have on my  
12 computer. So I'm going to just ask as a  
13 generic thing, would you let me send you all  
14 --

15 MS. MCGINNIS: Absolutely.

16 MR. RECCHIA: -- these type of things a  
17 little late, if we are ever done here, I  
18 will do that. And just know that there will  
19 be word changes like that.

20 But to get at your point about the  
21 context of this generation in the context of  
22 the Comprehensive Energy Plan, it wouldn't  
23 hurt I think to have -- what I'm hearing is  
24 another paragraph in between these two about  
25 what role electricity plays. We could

1 certainly -- I could certainly include that  
2 in my comments to you.

3 MS. MCGINNIS: Okay.

4 MR. RECCHIA: I'm happy to take the lead  
5 in drafting that.

6 CHAIRMAN EASTMAN: Okay.

7 MR. RECCHIA: Do I understand that  
8 that's what you want?

9 CHAIRMAN EASTMAN: Yeah.

10 MS. MCGINNIS: Just for -- yes, for  
11 clarity purposes, I think Jan is right, that  
12 I've really tried to address each of these  
13 points rapidly in these paragraphs, but we  
14 might need some more specificity. And then  
15 as we get to recommendation number one, to  
16 really understand what we are all  
17 understanding that the role of the  
18 Department will be. Is it -- are we telling  
19 the Department to go and do a road map for  
20 an energy plan, are we telling them to go  
21 and do a road map for an electricity plan?  
22 And that's where the confusion is.

23 MR. RECCHIA: I would vote that you're  
24 asking us to do a road map for an energy  
25 plan.

1 MS. MCGINNIS: Okay.

2 CHAIRMAN EASTMAN: That -- then we will  
3 have enough --

4 MR. RECCHIA: Electricity component to  
5 guide this.

6 CHAIRMAN EASTMAN: -- to guide the  
7 siting decision.

8 MR. RECCHIA: Right. Maybe I'm getting  
9 -- maybe I'm stepping off into the deep end,  
10 but I think the Regional Planning  
11 Commissions' responsibility is to the energy  
12 plan, not the electricity siting.

13 MS. MCGINNIS: Which I totally agree.

14 MR. RECCHIA: I wanted to say that out  
15 loud.

16 CHAIRMAN EASTMAN: Because that's how --  
17 I guess I'm going to use perjorative terms.  
18 Good planning being done at the regional  
19 level is around energy not just electricity.

20 MR. CAMPANY: Right.

21 MS. MCGINNIS: This has been Chris's  
22 point for quite awhile.

23 MR. RECCHIA: Another example of a  
24 change, for example, that I'm suggesting is  
25 the end of that paragraph about -- the one

1 that says; in goal setting the path to  
2 obtaining 80 percent of the state's energy  
3 needs from renewable across all energy  
4 sectors by 2050, I'm suggesting we say  
5 includes an aggressive commitment to  
6 conservation and efficiency as well as a  
7 section on land use measures to help meet  
8 our energy goals.

9 Because I think the land use piece of  
10 this, Louise, Tom, is where the intersection  
11 is the greatest frankly, not so much on, you  
12 know, setbacks and things like that. But I  
13 think the land use components, smart growth  
14 components, are the biggest component, and I  
15 think that needs to be part of the Regional  
16 Planning Commissions' energy plan and our  
17 consideration of that.

18 MS. McCARREN: That was one of my  
19 comments which is that maybe I'm misreading  
20 this, but when you read the Town Plan  
21 statute there are two sections. One section  
22 talks about the energy plan. Another  
23 section talks about the town's land use,  
24 including its ability to designate historic,  
25 cultural, highly sensitive, I'm not using

1 the right words.

2 And so I think those need to be read  
3 together is my simple point.

4 MR. RECCHIA: I agree.

5 CHAIRMAN EASTMAN: For me, it's a Town  
6 Plan. It has different components in it.  
7 But it's a Town Plan.

8 MS. McCARREN: But we are referencing  
9 for the Regional Planning Commission and for  
10 Chris's oversight the energy portion of the  
11 Town Plan. My point -- I know, but my point  
12 is, that to make sure that the town's land  
13 use issues are incorporated or referenced is  
14 really important, because the energy plan  
15 was in the Town Plan itself, does not talk  
16 about land use. It talks about renewables.

17 CHAIRMAN EASTMAN: This is why you talk  
18 about a Town Plan, and then you hit  
19 everything. Just like in 248 it doesn't  
20 talk about the energy component of a Town  
21 Plan, it actually talks about the land use,  
22 you know, conservation, and what is  
23 currently happening, the practice is, that  
24 the Public Service Board and everybody is  
25 talking about the Town Plan.

1 MS. McCARREN: We are saying the same  
2 thing. All I'm saying is some of this  
3 language seems to me to pick out just the  
4 energy portion of the Town Plan.

5 CHAIRMAN EASTMAN: Yeah.

6 MS. McCARREN: I think we all agree.

7 CHAIRMAN EASTMAN: I think that's  
8 incorrect.

9 MR. RECCHIA: I think that's incorrect  
10 as well.

11 MR. JOHNSTONE: Needs to be broader.

12 MS. MCGINNIS: We will get to that when  
13 we get to those recommendations.

14 CHAIRMAN EASTMAN: When I read that,  
15 that's what I read too. I think that's not  
16 what I think about when I think about town  
17 planning, so we are together.

18 MS. McCARREN: Amazing.

19 MR. BODETT: I just have my little picky  
20 thing. I was going to ask to move the  
21 sentence, but that last sentence in the  
22 context paragraph where it says; across all  
23 energy sectors by 2050 also includes an  
24 aggressive. I just scratched the also. It  
25 makes it seem like a throw away.

1 MS. MCGINNIS: Okay. I'll add land use  
2 there.

3 MR. BODETT: I like that.

4 CHAIRMAN EASTMAN: Chris is going to add  
5 a little more language. So does that get us  
6 through the first page?

7 MS. MARKOWITZ: Huh. Look at that.

8 CHAIRMAN EASTMAN: I've got Asa. And  
9 first page, are we through, Louise, or do  
10 you have something else?

11 MS. McCAREN: I have one thing in the  
12 corner, and I don't know how important it  
13 is. I'm trying to make sure we reference  
14 Vermont Yankee, which is fine. It will be  
15 replaced with a mix of new resources, under  
16 new contracts, increase our dependence on  
17 imported fossil fuels, and raise important  
18 transmission issues. That might be correct.  
19 But it's not quite, because right now a  
20 replacement for Vermont Yankee is in fact  
21 Seabrook. And replacements could be, might  
22 be, more Hydro-Quebec, don't know. Don't  
23 know. But right?

24 I stumbled over that, because --

25 MS. MCGINNIS: I'm sorry. I was --

1 MR. RECCHIA: I think that sentence -- I  
2 think we should just flag that sentence.

3 MS. McCARREN: Okay, let's flag it.

4 MS. MCGINNIS: Which one? Sorry. I was  
5 talking to Asa.

6 MS. McCARREN: The Vermont Yankee one.

7 MR. RECCHIA: The Vermont Yankee  
8 contract, the Vermont utilities in 2012 that  
9 electric energy was replaced with a mix of  
10 new resources that under new contracts  
11 increase our dependence on imported fossil  
12 fuel and raise important transmission  
13 issues. I would just flag that sentence as  
14 needing some tweaking.

15 MS. MCGINNIS: All right. I really feel  
16 strongly that the concepts need to be  
17 included, however, because it's a big deal  
18 in terms of projecting electric energy for  
19 the future.

20 MR. RECCHIA: Right. The question is;  
21 do you think that the displacement of  
22 Vermont Yankee actually increased our  
23 dependence on fossil fuel.

24 MS. MCGINNIS: Asa, would you like to --  
25 comment on that?

1 MS. McCARREN: That's not fair.

2 MS. MCGINNIS: And he and I have had  
3 lots of discussions on this.

4 CHAIRMAN EASTMAN: Okay. I want to get  
5 through something today.

6 MR. HOPKINS: With state policy as it  
7 stands, with no renewable energy credits  
8 sold out of state, if you then treat the  
9 remaining power as though it were fossil  
10 fuel power, that the transition from the old  
11 Hydro-Quebec contracts to the new one  
12 combined with the end of the Vermont Yankee  
13 contract net increases the greenhouse gas  
14 impacts from electricity in Vermont. To the  
15 point that when everybody keeps saying four  
16 percent, I would expect in a few years that  
17 it will be five percent, and six percent and  
18 seven percent of the total. Partly because  
19 if we are good in the other sectors the  
20 total will come down, but also partly  
21 because the raw numbers will go up.

22 MS. McCARREN: Okay. So is the question  
23 -- is the question with the termination of  
24 the Vermont Yankee in-state Vermont  
25 contract, did the replacement power for

1 those contracts increase reliance on fossil  
2 fuel? Is that the question we want to  
3 answer? I mean if you're saying yes then --

4 MR. HOPKINS: That's the discussion that  
5 I got out of -- that's what I thought the  
6 point of that sentence was. And in the  
7 short term that's definitely true. In the  
8 short term, you know, generic market power  
9 bought from, you know, Wells Fargo and  
10 Merrill Lynch, aggregators in the market and  
11 whatever, that's the bulk of what's replaced  
12 that power in the short term. And that's  
13 natural gas and oil and coal and nuclear and  
14 whatever all mixed up together.

15 MS. McCARREN: I thought there were also  
16 some replacement contracts.

17 MS. MCGINNIS: I have the exact numbers  
18 in the longer report, and I sent them to you  
19 in my response. The exact numbers are that  
20 over 50 percent of the replacement for the  
21 Vermont Yankee contract come from the  
22 regional market. Over 50 percent of the  
23 replacement. So if you looked at the 39  
24 percent that Vermont Yankee has provided to  
25 us in 2012, of that over half of that now

1 comes from the regional market which is made  
2 up of a majority of fossil fuels.

3 So the point is that this is a big issue  
4 for policy making. If you're looking at  
5 trying to meet your statutory targets of  
6 reducing greenhouse gas goals, and  
7 greenhouse gas emissions, in effect, by  
8 moving towards greater regional spot market  
9 energy, you are increasing your dependence  
10 on fossil fuels. And it's something that  
11 you need to take into account.

12 MS. McCARREN: I understand that. If  
13 that's what we want to say, I have no  
14 problem putting that in there. This  
15 sentence to me was extremely confusing as to  
16 what it was supposed to say.

17 MS. MCGINNIS: Okay.

18 MS. McCARREN: So it's an editing issue.  
19 All right.

20 CHAIRMAN EASTMAN: And in the longer  
21 report there is more specificity about it.

22 MS. McCARREN: I haven't read the long  
23 report.

24 CHAIRMAN EASTMAN: Okay.

25 MS. MCGINNIS: Yup.

1           CHAIRMAN EASTMAN: Okay. Is that it for  
2 page one? So page two, I mean because we  
3 haven't even got to the recommendations. I  
4 just want -- people have comments about  
5 this, and Linda needs to finish this report  
6 for us once and for all.

7           So we have got these highlighted things  
8 along the edge here, so are these things  
9 that we need to deal with?

10          MS. McCARREN: And I spent a great deal  
11 of time, Linda, and all of you I think have  
12 my comments. So I'm assuming --

13          CHAIRMAN EASTMAN: This is what we are  
14 trying to do now is all the comments are  
15 here down along the side.

16          MS. McCARREN: No, they are not. A lot  
17 of mine aren't here.

18          CHAIRMAN EASTMAN: Yours are all on  
19 here.

20          MS. MCGINNIS: They are summarized. I  
21 either incorporated some of the -- someone's  
22 that were easy to incorporate, for example,  
23 this one that's on the consequences for  
24 siting, this is Louise's comment, she wanted  
25 to mention that a significant number of the

1 new dockets are related to the 50 megawatts.

2 MS. McCARREN: That was a question I  
3 had, and that was for Asa, which is -- and  
4 the reason -- the only reason I raised this  
5 is, is it the standard offer that has driven  
6 the very precipitous increase in siting  
7 dockets? And if it is, then the Department  
8 is -- we won't see it at that pace. If it  
9 is something else that is driving this  
10 increase in dockets, well then standard  
11 offer is irrelevant. And that's basically  
12 what I was trying to ask you, which is in  
13 your opinion is a standard offer driving  
14 this, or do you think it's going to happen  
15 irrespective of the standard offer?

16 MR. HOPKINS: Well it depends on what  
17 "this" is.

18 MS. McCARREN: The pace of dockets.

19 MR. HOPKINS: Okay. The sheer number of  
20 dockets is being driven by the standard  
21 offer in the immediate term. The large wind  
22 projects and all of the contention and such  
23 around those or large biomass or -- those  
24 are not being driven by the standard offer.

25 MS. McCARREN: That's right.

1 MR. HOPKINS: And so there are -- those  
2 are being driven by other forces, and so  
3 there is the large cases, and then there is  
4 a number of cases. And those are in some  
5 respect two different kinds of issues to be  
6 addressed.

7 MS. MCGINNIS: But it is an important  
8 point when we are making -- part of the  
9 reason that we are looking at a lot of these  
10 changes is because there is so many new  
11 dockets. And another reason is because  
12 there's more complex dockets like the wind  
13 ones.

14 So the point is an important one, and I  
15 don't know if you want me to incorporate it  
16 here. And I certainly can in the longer  
17 projects. What Louise is driving at is that  
18 if we only continue with what remains in  
19 standard offer, the likelihood of the number  
20 of dockets coming before the Board will  
21 drop.

22 MS. MCCARREN: But to Asa's point, they  
23 may be more complicated because the standard  
24 offer is not driving the -- excuse me while  
25 I wave my hand. The standard offer is not

1 driving wind, and it is to a large extent,  
2 right, and it's not driving biofuels.

3 CHAIRMAN EASTMAN: And so for me, okay,  
4 none of our -- the recommendations that we  
5 are making, I don't care if they have the  
6 same number or if it drops slightly. For me  
7 it's the fact too that siting dockets,  
8 siting issues, are, you know, are different  
9 I think, and so I want a case manager who  
10 can talk to a layperson, and so --

11 MS. McCARREN: Okay.

12 CHAIRMAN EASTMAN: Yes, it's good to  
13 have here's why we're here, but that doesn't  
14 change for me where I'm falling out on  
15 recommendations.

16 MS. McCARREN: And I agree with you.  
17 And I support that. But I just wanted to  
18 point out --

19 CHAIRMAN EASTMAN: I understand things  
20 will change, and you know, you have a flurry  
21 of activity and then it settles down. But  
22 and also for me, and I support these changes  
23 and recommendations because I don't know  
24 what else might come over, you know, the  
25 hills. And so I want a process that if

1 there is a significant something new, we at  
2 least have something in place where people  
3 can get in there and weigh in on what the  
4 health implications are.

5 MS. McCARREN: I agree with that.

6 CHAIRMAN EASTMAN: Or the environmental  
7 implications, and I think that's what this  
8 does. Okay?

9 MS. MCGINNIS: Yup.

10 CHAIRMAN EASTMAN: Okay. So other  
11 comments on page two?

12 MR. BODETT: I made the comment of  
13 adding at the end of that rationale for  
14 maintaining siting with the PSB. And this  
15 kind of speaks to Louise's comment above  
16 that which is about local planning and the  
17 public good being able to coexist. It's  
18 just to strengthen that -- the truth of that  
19 is that to add in providing considerable  
20 flexibility in granting approval for  
21 requests to intervene in the application  
22 process, while giving due, substantial or  
23 controlling consideration to local and  
24 regional planning. It sort of previews the  
25 points we are going to make in our

1 recommendations of raising the status of  
2 planning in the 248 process.

3 MS. MCGINNIS: The only question I had  
4 there was that I was trying to draft this  
5 paragraph to say, and I think it could  
6 easily be incorporated, why you have decided  
7 to stay with the Board. Right. And so this  
8 third one is the one that's trickier, which  
9 is, so as with other investments related to  
10 cross regional use such as interstate  
11 highways, energy generation and system  
12 reliability require consideration of public  
13 good, which is the sole jurisdiction of a  
14 central Public Service Board.

15 I was trying to make the point that at  
16 least from what I've heard from you having a  
17 central Agency looking at issues that are of  
18 a larger public good remain something that  
19 is of value to you. Louise's question on  
20 that is, you know, are we trying to say that  
21 a statewide view is important? Because in  
22 her view, and I think in the view of  
23 everyone around the table, local planning --  
24 well local planning control -- I'm not sure,  
25 and public good can live together and are

1 not mutually inconsistent.

2 I'm happy to add something there. And  
3 then just one other thing. Tom's adding  
4 something that does preview what we are  
5 getting to later. If I put it here, I don't  
6 know if I can put it here before we actually  
7 talked about it. That was the only concern  
8 I had. But I think it's an important point.

9 MS. McCARREN: I think the point that we  
10 heard from many people around the state was  
11 this concept of public good was -- a  
12 perception was that it was being used to run  
13 over state and local planning. Now that's  
14 what I heard when I was out in all of those  
15 public hearings.

16 And so the traditional notion of public  
17 good, right, has meant that it's basically  
18 the Board has total preemptive jurisdiction  
19 over siting. And what we are trying to do  
20 here, I thought, was rebalance that so that  
21 land use planning has oompf. And so that's  
22 why I would propose that we take that  
23 sentence out, because it is somewhat  
24 unclear, because it seemed one  
25 interpretation of it is Public Service Board

1 has total preemptive jurisdiction over  
2 siting and land use, and I thought that's  
3 what all of our work was that we are trying  
4 to rebalance that.

5 MR. RECCHIA: Can I weigh in for a  
6 second?

7 MS. MARKOWITZ: I would just suggest a  
8 couple little word changes that might allow  
9 us to keep the concept in. I think the  
10 concept is central and important in that it  
11 would be a shame to lose it. I don't think  
12 we can lose it and really go forward. This  
13 is all about balancing public good with  
14 local interest or individual interests, or  
15 that's what adjudicative boards do. And  
16 having that happen on a statewide level  
17 makes some sense.

18 So it may be that, you know, a third is  
19 with other investments, et cetera, et  
20 cetera. Energy generation and system  
21 reliability require -- require a balancing  
22 of public good rather than consideration, we  
23 will be specific about how they consider it.

24 MS. MCGINNIS: That's exactly it.  
25 That's it.

1 MS. MARKOWITZ: Which is accomplished  
2 best by an -- and then I would be open to  
3 the words. Accomplished best by a statewide  
4 body, or a, you know, statewide adjudicative  
5 body.

6 MS. McCARREN: I think that's fine. I  
7 would suggest we take out interstate  
8 highways. And the reason it's a drafting  
9 issue. We have never talked about it  
10 before. You're just importing a bunch of  
11 baggage here.

12 MS. MARKOWITZ: And yes, and actually  
13 with interstate highways it's much more  
14 complicated with federal law.

15 MR. RECCHIA: My input on this, I think  
16 Louise's comment is important and  
17 appropriate. I think the local -- I think  
18 the statement that local planning and public  
19 good can live together and are not mutually  
20 inconsistent is an important concept. And I  
21 think we could add a sentence or two that  
22 says, you know, part of what we are doing  
23 here is to provide the tools and process by  
24 which those two can be integrated.

25 CHAIRMAN EASTMAN: And can I --

1 MR. RECCHIA: As opposed to being  
2 separate and in conflict.

3 CHAIRMAN EASTMAN: And going to VNRC's  
4 suggestion, I think the same thing is true  
5 relative to, you know, environmental issues.  
6 That you know, you can balance these things  
7 and have, you know, and the public good  
8 doesn't always have to stomp on  
9 environmental and land use, you know,  
10 protections.

11 MS. MARKOWITZ: The public good takes  
12 that into account.

13 CHAIRMAN EASTMAN: Right.

14 MS. MARKOWITZ: So instead of interstate  
15 highway, we could probably use an example of  
16 transmission or cell towers.

17 MR. BODETT: Or affordable housing, I  
18 was looking for something that's in our  
19 state planning guideline.

20 MS. MARKOWITZ: Let's come back to  
21 what's done with the state. So we have that  
22 same kind of balance when it comes to  
23 telecommunications. So maybe it's  
24 telecommunication infrastructure.

25 MS. McCARREN: I think transmission.

1 MS. MARKOWITZ: And transmission if you  
2 need examples.

3 MR. BODETT: Closer to the core.

4 CHAIRMAN EASTMAN: I think we have got  
5 to be careful about spending so much time  
6 drafting this document. We will never get  
7 through it. Okay.

8 MS. McCARREN: I understand what you're  
9 saying, but particularly at the beginning,  
10 people are going to read this, and this is  
11 what they are going to read. Sorry.

12 CHAIRMAN EASTMAN: So put balancing  
13 language in here.

14 MS. MCGINNIS: And what I'm hearing is  
15 balancing of public good with local planning  
16 and environmental considerations?

17 MR. RECCHIA: I would use the word, me  
18 personally, and it will be in my suggested  
19 edits is integrate the two. Provide a  
20 process by which those two concepts can be  
21 integrated. I don't think it's one versus  
22 the other. I don't think the public good  
23 should be inconsistent with local and  
24 regional goals and objectives. Nor do I  
25 think local and regional goals should be

1 inconsistent with the public good.

2 MS. MCGINNIS: Which is why I like  
3 Louise's language.

4 MR. RECCHIA: Me too.

5 MS. MCGINNIS: I want to make sure I'm  
6 understanding what things we are  
7 integrating. The three things are public  
8 good, local --

9 MR. RECCHIA: Planning.

10 MS. MCGINNIS: Planning. And --

11 MR. RECCHIA: And Regional Planning.

12 MS. MCGINNIS: Not environmental  
13 considerations because I was hearing that  
14 from her.

15 MR. RECCHIA: I think they are -- you  
16 included in those -- I think environmental  
17 considerations are in all three of those.  
18 But if you feel like you need to --

19 MS. MCGINNIS: I don't know. That's why  
20 I am asking.

21 CHAIRMAN EASTMAN: I feel we need to  
22 speak to it. This is again another issue  
23 that we were asked to speak to. So. Okay?  
24 Anything else on this page require  
25 discussion or have Linda's redraft --

1 MS. MARKOWITZ: The only other place  
2 there is a -- Gaye noted with respect to the  
3 word costly in the second to bottom  
4 paragraph, costly for whom. You know, the  
5 Commission received considerable testimony,  
6 reports of public comment regarding how the  
7 process needs to be more open, more  
8 efficient, less costly. And you know, part  
9 of what we are doing may arguably increase  
10 costs to applicants. You know, if we are  
11 asking them to pay for, you know, the -- to  
12 pay for experts and that, pay a filing fee,  
13 et cetera. So I don't know if we need to do  
14 something about that.

15 MS. MCGINNIS: I know. It's a tough  
16 one. Because I think at least our theory is  
17 that by investing a marginal additional  
18 amount up front you will reduce the more  
19 costly need for litigation --

20 MS. MARKOWITZ: Okay.

21 MS. MCGINNIS: -- later on, so that's  
22 the rationale that we have been working  
23 with.

24 CHAIRMAN EASTMAN: And the issue is  
25 there is cost, and then there is who pays.

1 It may be reducing the overall costs and  
2 switching who pays. Is it our tax dollar  
3 because you're all being paid to do your  
4 work, or is it an applicant fee or  
5 something?

6 MR. CAMPANY: It's internalized.

7 CHAIRMAN EASTMAN: Yeah.

8 MR. CAMPANY: Sorry. Didn't mean for  
9 that to come out.

10 MS. MCGINNIS: But I mean should I --

11 CHAIRMAN EASTMAN: I would leave it.

12 MS. MARKOWITZ: Leave it for now.

13 MS. MCGINNIS: Okay. And then, Jan, I'm  
14 sorry, but your comment is kind of important  
15 here. It was the one that you brought up in  
16 the beginning, the substantial consideration  
17 as opposed to due consideration. Which is  
18 in the paragraph just above that one.

19 MR. JOHNSTONE: 250 criteria, is that  
20 what you're talking about?

21 CHAIRMAN EASTMAN: Yeah.

22 MS. MARKOWITZ: That seems appropriate  
23 to me since that's what we heard.

24 MR. RECCHIA: I'm supportive of that.  
25 There is a risk of making everything too --

1 the same level again, so that everything is  
2 still in conflict, but I shouldn't have said  
3 that. I'm good with substantial  
4 consideration for environmental criteria.

5 MS. MCGINNIS: Now what I am trying to  
6 sort of say in these paragraphs is why we  
7 are staying with the Board, but I can add a  
8 sentence that says so right now the Board  
9 already gives due consideration, but we  
10 think that it is of such importance that we  
11 are recommending that that move to  
12 substantial consideration.

13 Should I add a line to that effect  
14 somewhere in here? Okay.

15 MR. RECCHIA: And by the way I think  
16 your paragraph describing how 248 works with  
17 the environmental criteria is excellent. I  
18 think that really describes --

19 MS. MCGINNIS: Thank you. Billy and I  
20 worked very hard on that together.

21 MS. MCCARREN: You didn't get my note.  
22 Is there any confusion about the term clean  
23 energy? It just kind of shows up here.

24 MR. JOHNSTONE: Sure. Sure. All over  
25 the, you know, every term around energy is

1 tainted at this point in one way or another.  
2 Clean isn't necessarily clean and green  
3 isn't necessarily green. And so yes --

4 MS. McCARREN: Only reason I raise it is  
5 because we use it.

6 MR. JOHNSTONE: I know.

7 MS. MCGINNIS: Where do I have it?

8 CHAIRMAN EASTMAN: Under Commission  
9 goals.

10 MS. McCARREN: Clean energy goals. I  
11 have no problem with leaving it. It's not  
12 my issue. Scott, do you think --

13 MR. JOHNSTONE: There is no term that's  
14 better. I wouldn't worry about it.

15 CHAIRMAN EASTMAN: Why do you need clean  
16 there? Isn't it the state energy goals?  
17 When in doubt do not use adjectives and  
18 adverbs. Okay. You don't use them if you  
19 can't explain them. The sky is blue. You  
20 don't have to say it's very blue. So for me  
21 it is state energy goals.

22 MS. McCARREN: Occasionally blue. I'm  
23 fine with that. Take out clean.

24 CHAIRMAN EASTMAN: Whatever those may  
25 be.

1 MS. MCGINNIS: Onwards.

2 CHAIRMAN EASTMAN: Okay. So we have got  
3 -- are we okay now through page two?

4 MR. RECCHIA: Well I want to address  
5 Tom's point in LM 12 where he says, you  
6 know, we shouldn't talk about options unless  
7 we discuss them in more detail. And I feel  
8 like the gorilla in the closet that we  
9 didn't introduce this paragraph with was --  
10 one of the substantial choices we were faced  
11 with was deciding whether we should move  
12 this to Act 250 or not. Right. I think we  
13 should just say that up front. That  
14 Commission considered very carefully that  
15 suggestion. And that's what led to this  
16 analysis, and that's what led to us deciding  
17 to stay with the Board, with the change in  
18 environmental criteria review and  
19 substantial consideration, we are -- and  
20 then I think Tom's point is correct. There  
21 really aren't any other options.

22 MS. MCGINNIS: Because Scott was not  
23 okay with that last time. I was going to  
24 start with that and Scott was not okay. It  
25 wasn't that you weren't okay, it was that

1 you thought it was a discussion that really  
2 wasn't -- what I had written in my notes we  
3 had had a whole big discussion when Jan was  
4 saying these are the reasons I have decided,  
5 or we feel that the Board is a better choice  
6 than Act 250.

7 And you said it doesn't necessarily have  
8 to go in the report. So I just want to make  
9 sure you're okay if I start with that.

10 MR. JOHNSTONE: It's fine. I just think  
11 we can make the report 40,000 pages, and  
12 it's not what you're recommending. But if  
13 we explain every single nuance, then the  
14 introductory will be the long report. And  
15 that was my only concern.

16 You know, it's balanced. It's just like  
17 the Ag issue where we said take all the  
18 detail out because it's heavier than all the  
19 other areas. As soon as you add great  
20 explanation one place, we will be doing it  
21 everywhere.

22 MS. MCGINNIS: I know that.

23 MR. JOHNSTONE: That was my only point.  
24 I'm fine either way, you know.

25 MR. RECCHIA: This one felt big enough

1 to me.

2 MS. MCGINNIS: That's why I wanted to --

3 MR. BODETT: It says options, if it  
4 would have said the other option, that would  
5 have been a little more --

6 MS. MARKOWITZ: How about saying  
7 arguments or change? PSB outweighs the  
8 arguments for change.

9 MR. BODETT: That would do it.

10 MS. MARKOWITZ: And then we don't have  
11 to --

12 MR. BODETT: Then it just isn't this --

13 MS. MCGINNIS: But do I still put the  
14 thing at the very front? The Commission  
15 considered carefully the option of moving to  
16 Act 250 and I'm hear --

17 MR. RECCHIA: What's people's pleasure?  
18 I mean I think you can do it in one or two  
19 sentences.

20 MS. MARKOWITZ: What do you think,  
21 Scott?

22 MR. JOHNSTONE: It makes no difference.  
23 I'm not a wordsmith on this stuff. I care  
24 more about 1 through 30 and details in the  
25 appendices personally.

1 MS. McCARREN: My concern is, and I  
2 totally agree with Jan, sometimes you read  
3 along and there is a brand new term that's  
4 been introduced. That's all. For clarity.  
5 Just to make sure just like on the next page  
6 where we use the community led. If -- I  
7 think I know what that means, totally  
8 supportive of it. Does everyone know what  
9 that term means? That's my point. If  
10 everyone is comfortable they know what that  
11 means, good.

12 CHAIRMAN EASTMAN: But in part right now  
13 this is just the introduction to get us to  
14 what community led is.

15 MS. McCARREN: That's fine.

16 MS. MCGINNIS: That's exactly it.

17 CHAIRMAN EASTMAN: Okay.

18 MR. RECCHIA: Zipping along. Page  
19 three.

20 CHAIRMAN EASTMAN: So we are moving to  
21 page three.

22 MS. McCARREN: I thought we were already  
23 on page three.

24 MS. MCGINNIS: But I do think Louise's  
25 point is important for later on too. And I

1 would very much appreciate more definition  
2 from this group on what community led is.  
3 Because I think it will make the report  
4 better. Right here I have no desire to add  
5 anything here. Because it's just an  
6 introduction, but later on the point is  
7 really important.

8 CHAIRMAN EASTMAN: Okay. And then we  
9 have this whole new section here that Linda  
10 has written that's talking about how we got  
11 here. Just it's some more introduction to  
12 talking about how we got here.

13 MS. McCARREN: So Linda, what appears in  
14 red is all new text.

15 MS. MCGINNIS: This is what -- if you  
16 were -- there was a flurry of E-mails I sent  
17 you over the weekend. I realize this was  
18 Tom's main point, and I was trying to  
19 respond to each of your comments. And Tom's  
20 point is, and I think it's -- I agree with  
21 him -- it's a really important one, that we  
22 need to state somewhere all of the effort  
23 that's been put into this by everybody in  
24 this room, and by all the hundreds of other  
25 people who have taken their time and their

1 effort to tell us what their concerns are  
2 and what their suggestions are.

3 We need to recognize that that's where  
4 we are drawing our conclusions from is all  
5 of the immense effort that's been put into  
6 this by other people. And that we need to  
7 summarize somewhere that we understand that  
8 there is a lot of issues, but there is some  
9 core themes that keep coming out. And the  
10 core themes that I tried to articulate here,  
11 I would love for all of you to make sure  
12 that you either agree or help me on making  
13 sure that you understand the core themes.  
14 Because obviously even the interests of the  
15 people in this room right now are not  
16 necessarily on the same track.

17 Nonetheless in terms of the siting  
18 process some of the core themes are  
19 remarkably similar. And so that's what I  
20 was trying to draw here. So number one,  
21 that the nature of the electric generation  
22 technologies and siting has changed  
23 considerably over time engendering new  
24 questions of land use, environmental impact  
25 and health that did not exist a decade ago.

1           Number two, because of this new  
2 guidelines and procedures need to be  
3 developed to address these issues.

4           Number three, the current siting  
5 process, while rigorous, still lacks  
6 clarity, transparency and predictability.  
7 Many parties feel that the important  
8 information is difficult to obtain in a  
9 timely fashion and is perceived to fall into  
10 a black box.

11           Number four, certain towns, communities  
12 and regions feel that under the current  
13 process the public has neither adequate  
14 time, guidance nor resources to adequately  
15 plan to respond to projects proposed for  
16 their communities.

17           The next one, the combination of these  
18 concerns has contributed to a process that  
19 is both lengthier and more costly than  
20 necessary for all parties.

21           And the last one, while there is  
22 generally widespread support for moving  
23 towards a clean energy future, and I can  
24 change that if you want, in Vermont, there  
25 was a need to understand what that path will

1 look like, while ensuring adequate  
2 protection of our natural resources and  
3 health.

4 I was trying to summarize what the core  
5 messages that we have heard.

6 MR. RECCHIA: I think you did an  
7 excellent job with this. That was going to  
8 be my only comment. I was going to move to  
9 page four.

10 MR. JOHNSTONE: I don't agree with all  
11 of them, but that is what we heard.

12 MS. MCGINNIS: That's why I started out  
13 the title of it is what the Commission  
14 heard.

15 MS. MARKOWITZ: One of the things that,  
16 I apologize, but one of the things that was  
17 missing to me was that we also heard a range  
18 of comments from energy developers, that the  
19 process was too uncertain, that it was too  
20 lengthy, that it was too costly.

21 MS. MCGINNIS: That's what I was trying  
22 to get at. The third bullet.

23 CHAIRMAN EASTMAN: Clarity, transparency  
24 predictability. The issue about things  
25 going into a black box was heard as much

1 from applicants as it was from others.

2 MS. MARKOWITZ: But this wasn't that it  
3 takes too long. I mean that was --

4 MS. MCGINNIS: Lengthier.

5 MS. MARKOWITZ: It's still clarity,  
6 transparency and predictability. I  
7 appreciate that.

8 MS. MCGINNIS: Second to last bullet the  
9 combination of these concerns to a process  
10 that is both lengthier and more costly than  
11 necessary for all parties.

12 I was trying to say that all of this  
13 contributes to --

14 MS. MARKOWITZ: Together.

15 MS. MCGINNIS: -- more expense and more  
16 length and the whole thing.

17 MS. MCCARREN: We heard that from  
18 everyone. We heard it from developers and  
19 we heard it from panels.

20 MS. MARKOWITZ: I appreciate that.

21 CHAIRMAN EASTMAN: Okay. So we can move  
22 to page four.

23 MR. JOHNSTONE: Do you want to do that?  
24 It's 10:00.

25 CHAIRMAN EASTMAN: Actually what's going

1 to happen is by the time we get to page four  
2 there is very few comments, and then we get  
3 to planning, which is where we have all  
4 these people for.

5 MS. MCGINNIS: Lots of comments.

6 CHAIRMAN EASTMAN: No, on page four.

7 MR. JOHNSTONE: Thank you for that new  
8 language.

9 MS. MCGINNIS: Thanks. Thanks Tom.

10 MR. JOHNSTONE: And Tom, whoever did it.

11 MS. MCGINNIS: I did the language, but  
12 he had the idea.

13 CHAIRMAN EASTMAN: So page four.  
14 Comments on anything here?

15 MS. MCGINNIS: Gaye's comment is  
16 important. The fact that she is writing  
17 from Israel I think we need to listen to  
18 what she is saying.

19 MR. BODETT: She is in the Holy land and  
20 all that.

21 MS. MCGINNIS: Exactly, she is in the  
22 Holy land. Comment number 17.

23 Gaye says that she would like to like  
24 beef up the notion that these  
25 recommendations are interlinked, and the

1 rationale -- or her reason for that is that  
2 some Commission members, notably her, and  
3 many of the rest of you, would not support  
4 some of the recommendations as stand-alone  
5 recommendations but only in the context of  
6 the full set of recommendations.

7 For example, she would not support  
8 additional weight, because she is still  
9 uncomfortable with it, to local and regional  
10 concerns, without the Regional Planning tied  
11 to the State Energy Plan and goals. So she  
12 would like that to be incorporated in there.  
13 As -- and it doesn't have to be all  
14 Commission members, she is saying some, but  
15 for her this whole thing falls apart, she  
16 would not support and would be very strongly  
17 against giving increased consideration to  
18 towns and regions if it were not tied to the  
19 State Energy Planning goals. That's her  
20 perspective.

21 CHAIRMAN EASTMAN: And there are other  
22 issues here that for me are connected, you  
23 know, as well.

24 MR. JOHNSTONE: I agree.

25 MR. RECCHIA: I think it just needs to

1 be worded, not that it's a take it or leave  
2 it packet though. I think that we have to  
3 have some flexibility there.

4 CHAIRMAN EASTMAN: We do, right.

5 MR. BODETT: I think we make it clear  
6 enough in wherever we mention augmenting  
7 local and Regional Plans that we say that  
8 are in conformance or in support of the  
9 Comprehensive Energy Plan. It seems self  
10 qualified the way we present it.

11 MR. RECCHIA: Yeah. I felt like the  
12 connection was done pretty well in here  
13 already.

14 MS. MCGINNIS: So without additional  
15 wording.

16 CHAIRMAN EASTMAN: No, I think I would  
17 take the first sentence of what she said.

18 MR. JOHNSTONE: I don't know if you need  
19 the example.

20 MS. MCGINNIS: Except --

21 MR. JOHNSTONE: I happen to agree with  
22 her example but --

23 MS. MCGINNIS: The problem is then you  
24 pick and choose. If I was the legislature  
25 reading that, I would be then okay.

1 MR. JOHNSTONE: Then you have it in mind  
2 when you read the planning piece, you see  
3 the connection, and you understand that.

4 CHAIRMAN EASTMAN: Or they are going to  
5 have to come and ask us what we meant.

6 MS. MCGINNIS: There you go.

7 MR. JOHNSTONE: Because again if you add  
8 an example, you know, I hate to nit on this.  
9 But when you start a list, you have to be  
10 comprehensive in your list, or you need to  
11 try to qualify it as including but not  
12 exhaustive, but then what does that mean?  
13 And so the danger of lists is that they  
14 become exhaustive.

15 MS. McCARREN: Or exhausting.

16 MR. JOHNSTONE: Or both.

17 MR. RECCHIA: I like the sentence; these  
18 recommendations are presented as a package  
19 because they were interlinked, reinforcing  
20 one another, such as pursuing some longer  
21 term absence of others could lead to  
22 unintended consequences.

23 I think that sets up nicely the fact  
24 that these are a package, and they -- I'm  
25 not going to repeat the words, I think it is

1 said very well. It doesn't imply that it's  
2 an absolute, you must adopt all of these or  
3 none of them.

4 MS. MCGINNIS: That's what I was trying  
5 to get at.

6 MR. RECCHIA: Or you can't change them  
7 in some fashion.

8 CHAIRMAN EASTMAN: Do you think we have  
9 got enough?

10 MR. RECCHIA: I think it's good the way  
11 it is.

12 MS. McCARREN: Well we have two classes.  
13 Are you talking about the planning  
14 recommendations, which is fine, I don't  
15 agree, but I understand, I respect it, what  
16 you're saying. If that's what you want to  
17 put in there, I'm fine with that. We also  
18 have all these procedural things we are  
19 going to get to later.

20 MR. RECCHIA: I think this is the whole  
21 thing. I think this is describing the whole  
22 umbrella.

23 CHAIRMAN EASTMAN: I think that we don't  
24 need Gaye's language. I understand Gaye's  
25 point. I would agree with it, and I would

1 explain that whenever I'm explaining to  
2 people what we meant to have happen, things  
3 are linked, but I think Linda has written  
4 enough.

5 MS. McCARREN: She thinks so too.

6 MS. MCGINNIS: She does, doesn't she.

7 MR. BODETT: I agree.

8 CHAIRMAN EASTMAN: I think we are okay.

9 MS. MCGINNIS: Two other points that are  
10 important are Louise's, I think they are  
11 important word choices. It's on the first  
12 bullet; increase emphasis on planning at  
13 state, regional and town levels, allowing  
14 siting decisions or requiring siting  
15 decisions to be in conformance with Regional  
16 Planning Commission?

17 MR. JOHNSTONE: It's up to the RPCs. I  
18 think it has to be allowing because the RPCs  
19 have to pass the screen.

20 CHAIRMAN EASTMAN: I think it's allowing  
21 at this point.

22 MS. MCGINNIS: Okay. And then --

23 MS. McCARREN: I just want to -- I  
24 should put this up. I don't want to be too  
25 repetitive, but it's not just the energy

1 plan portion.

2 MR. JOHNSTONE: Got it.

3 MS. McCARREN: Okay. Because the power  
4 in my view is going to come from the other  
5 section where the town raises its hands and  
6 says --

7 CHAIRMAN EASTMAN: So take out energy.

8 MS. McCARREN: Okay, I'm fine then.

9 CHAIRMAN EASTMAN: So it's in  
10 conformance with Regional Planning  
11 Commission plans.

12 MS. MCGINNIS: Just to make sure, the  
13 last meeting I was asked by the Commission  
14 to add in energy in every place, energy  
15 component of Regional Plan. So now I'm  
16 going to be taking it back out.

17 MR. RECCHIA: Yeah, so what's your  
18 point?

19 MR. JOHNSTONE: I think we are  
20 schizophrenic.

21 CHAIRMAN EASTMAN: Can I say I don't  
22 actually think we said that.

23 MR. JOHNSTONE: I think we said both.

24 CHAIRMAN EASTMAN: I think what we said,  
25 we will get to it when we get to the

1 planning, for me it's there are a couple of  
2 things here. Somebody may be reviewing the  
3 Regional Plan to find that it is consistent  
4 with -- that you know, that it's consistent  
5 with the Comprehensive Energy Plan, and they  
6 may be reviewing the energy component of  
7 that plan to find out it's consistent with  
8 the energy. But it's the Regional Plan  
9 that's going to get status, not just one  
10 component of it.

11 Because what we want the Regional Plan  
12 for is all the issues that the region's  
13 interested in, not just energy.

14 MR. RECCHIA: Right.

15 MS. MCGINNIS: Okay. So then the second  
16 point I'm assuming that energy is the  
17 correct word that I'm supposed to use here.  
18 Louise was asking if it's energy or  
19 electric.

20 MS. McCARREN: I think it's energy,  
21 given what everybody said. I just raised it  
22 as an editing point.

23 CHAIRMAN EASTMAN: It says energy.

24 MS. MCGINNIS: Okay. I just want to  
25 make sure. The reason I put it in there,

1 it's not an editing point, it's a conceptual  
2 point, so I want to make sure that I  
3 understand that concept.

4 CHAIRMAN EASTMAN: And I believe it's  
5 energy.

6 MS. MCGINNIS: And then just so that you  
7 know, Louise caught, for which I'm very  
8 grateful, on the second one that I had  
9 continued with the wording on the screening,  
10 and we have moved from screening to  
11 incentive structure within the tiers. So I  
12 just changed the wording on the second  
13 bullet so you're aware of that.

14 CHAIRMAN EASTMAN: Okay. Great.

15 MR. JOHNSTONE: Planning.

16 CHAIRMAN EASTMAN: Planning.

17 MS. MCCARREN: Page five? How did we do  
18 that.

19 MR. JOHNSTONE: We are moving fast.

20 CHAIRMAN EASTMAN: So this is why we  
21 have some additional folks here, right?

22 MS. MCGINNIS: And I think Kerrick and  
23 Deena --

24 MS. MARGOLIS: Deena is not coming.  
25 Kerrick is coming from a class, so he should

1 be here any moment.

2 CHAIRMAN EASTMAN: Do we want to wait a  
3 few minutes and come back?

4 MS. MCGINNIS: I think we can keep  
5 talking about it. The reason they were  
6 going to come is just in case anybody had  
7 questions. Well Anne, do you want to give  
8 your idea?

9 MS. MARGOLIS: Well there has been some  
10 discussion and it's reflected in the  
11 recommendations about going with a structure  
12 for planning that might mimic or mirror the  
13 Vermont Systems Planning Committee, and also  
14 the public outreach pieces maybe taking  
15 after the VELCO outreach component.

16 So basically Kerrick was going to come  
17 and be able to bounce those ideas back and  
18 forth with you guys.

19 CHAIRMAN EASTMAN: Can I ask you guys  
20 who work for the State of Vermont, and they  
21 are going to have to do this -- or I go home  
22 soon. I get to go home, back to my hill and  
23 watch it all happen. Is that -- for me, I  
24 want you to have a lot of say in what you  
25 think is doable. And so if that's -- and I

1 like that process. So I'm not wed to a  
2 particular, you know, process or way of  
3 doing it.

4 What I'm wed to is, you know, I think  
5 the Department and ANR either you guys need  
6 to do some more work to give guidance to  
7 region so region can do their work. And  
8 when I look at what VNRC says, I get it that  
9 you're not electric generation, you know,  
10 specific. But I think that again, I can't  
11 go with more consideration to things unless  
12 we have got some connection here to state  
13 goals and down to plans and back around.

14 MR. RECCHIA: There is process, I'm  
15 sorry, there is a standard of review, and  
16 who does the review and then there is a  
17 process to get there.

18 CHAIRMAN EASTMAN: Yeah.

19 MR. RECCHIA: And I think that I would  
20 be very receptive to the Commission  
21 recommending that the Department consider  
22 the VSPC model in evaluating a process by  
23 which plans can be reviewed and valued for  
24 consistency or public can be engaged in that  
25 process. In terms of the standard of

1 review, I'm going to backtrack a little bit  
2 from where we were over here because,  
3 Louise, this is important, so my offer to  
4 have the PSB review consistency of the plan  
5 was intended to be able to bring you on  
6 board. If that didn't work, which it sounds  
7 like it didn't, then I want to go back to  
8 the Department being in that role. And the  
9 connection I would say because I think that  
10 on a case-by-case basis it's going to be  
11 very difficult for the Board to evaluate  
12 consistency of a plan.

13 CHAIRMAN EASTMAN: I agree.

14 MR. RECCHIA: I feel like we need a  
15 process up front whereby the Regional  
16 Planning Commissions are updating their  
17 plans within a window of time, and the  
18 Department gets to review those for  
19 consistency with the CEP.

20 I'm still receptive to the idea that on  
21 a case-by-case basis that can be argued in  
22 front of the Board as an issue as we say,  
23 no, we don't think it's consistent, and  
24 Windham says yes, it is, we can have that  
25 argument in front of the Board. But to me

1 that feels like the right process and the  
2 right standard.

3 MS. McCARREN: And I understand why you  
4 say that. I don't disagree. Okay. I  
5 disagree -- here's my problem.

6 Can you tell me what does it mean, and I  
7 guess if it's just the energy portion of the  
8 Town Plan or the Regional Plan being  
9 consistent with the CEP, I might be able to  
10 live with that. But what does it mean to be  
11 consistent? Okay. Because it's the land  
12 use piece of the Town Plan that I think has  
13 to be --

14 CHAIRMAN EASTMAN: Do you have Black's?

15 MR. RECCHIA: So I appreciate what  
16 you're saying. The answer --

17 MS. McCARREN: What does it mean to you?

18 MR. RECCHIA: I can't -- I don't think,  
19 no, I know, I cannot limit it to the energy  
20 portion of the plan. And the reason is is  
21 that the whole Regional Plan needs to be  
22 considered in the context of -- the  
23 Comprehensive Energy Plan dealt with other  
24 things, dealt with land use, dealt with  
25 transportation, it dealt with energy

1 efficiency. If the Regional Plan says we  
2 want all these renewables, and then said but  
3 we think the best development pattern is to  
4 spread out over the state highway for four  
5 miles and not have any -- not have smart  
6 growth principles apply, I think we would  
7 have a problem with that.

8 I think other agencies that we would be  
9 consulting with the ACCD, ANR would have a  
10 problem with that. But I think consistency  
11 as we are about to find out from Mr. Black,  
12 I think it provides the right balance. It's  
13 not in perfect alignment. It's just that  
14 the principles that are established there --

15 CHAIRMAN EASTMAN: It's having agreement  
16 with itself or something else; accordant,  
17 harmonious, congruous, compatible,  
18 compliable but not contradictory. It's not  
19 that it equals, you know, is doesn't have to  
20 match, you know, a lot of steps. But --

21 MR. RECCHIA: So that's my --

22 MR. JOHNSTONE: So do you, in either of  
23 these models, the question I have been  
24 trying to grapple with is; are we doing this  
25 in the middle of a docket about a siting

1 generation, or is this consideration whether  
2 it's the -- what's in the document where it  
3 was going to the PSB, or whether in this  
4 model if Windham wants to challenge your  
5 determination, is it in the middle of a  
6 decision about a siting generation case? Or  
7 is it a separate docket that's about this  
8 topic?

9 Because one of the things I was uneasy  
10 with as I thought about it last time is  
11 trying to do this in the middle of a  
12 generation case just seems crazy to me.

13 CHAIRMAN EASTMAN: But the issue that  
14 now we are saying -- I'm going to let you  
15 talk Chris, but what I -- I mean -- what I  
16 heard you say was that you're back to now  
17 having it be at the Department.

18 MR. JOHNSTONE: He said if there is  
19 disagreement they could go to the Board.

20 CHAIRMAN EASTMAN: If there is  
21 disagreement.

22 MR. RECCHIA: What I'm thinking is --  
23 the reason I wouldn't suggest establishing a  
24 separate docket all the time is because  
25 really the PSB is not the arbitrator of good

1 planning.

2 MR. JOHNSTONE: I agree with that.

3 (Laughter.)

4 MR. RECCHIA: So I think that it's --

5 MR. JOHNSTONE: It's not their job. I  
6 don't mean anything derogatory at all.

7 Everything -- everyone was laughing. I  
8 didn't mean it that way.

9 MR. RECCHIA: So --

10 MR. BODETT: It worked though.

11 MR. RECCHIA: I'm going to say this in  
12 the most positive way possible. The  
13 Regional Planning Commissions do good  
14 planning. The Department does good energy  
15 planning. We want an opportunity to have a  
16 conversation and link those two, and I think  
17 99 percent of the time we are going to come  
18 to agreement, and it's going to be fine.

19 In that one percent case where there is  
20 just like a substantive question or we don't  
21 think there is a disagreement but then a  
22 specific project comes along that highlights  
23 a discrepancy or an inconsistency or  
24 something we hadn't thought of, there is an  
25 opportunity for the Board in the context of

1 making a decision on that energy case that's  
2 before them to evaluate the plans and our  
3 positions as parties and make a decision.

4 MS. MARKOWITZ: And of course, this is  
5 linked really closely with the benefit we  
6 are giving to a plan that it has been  
7 determined to be consistent with the goals  
8 of the energy plan. You know, we are trying  
9 to make that dispositive, and so it deserves  
10 that higher level of scrutiny.

11 It just, you know, if we are going to  
12 make it dispositive, then having the Public  
13 Service Board weigh in if there is a dispute  
14 it makes --

15 MS. McCARREN: I agree with you. That  
16 the planning if there is going to be a plan  
17 with you, it needs to stay with the  
18 Department. Overall it should not be done  
19 in a case-by-case basis.

20 (Mr. Johnson arrived.)

21 MS. McCARREN: I don't understand what  
22 it means, if it means that the Department  
23 acting on its own can override regional or  
24 Town Plans --

25 MR. RECCHIA: No, it does not. What it

1 means is I get -- here's the reality of  
2 what's going to happen.

3 MS. McCARREN: Deranged Commissioner.

4 MR. RECCHIA: The legislature is going  
5 to give us 30 thousand dollars per Regional  
6 Plan, and we are going to contract with the  
7 Regional Planning Commissions to do an  
8 update of their energy components of their  
9 plans. In that contract, as with any  
10 contract, there will be standards of  
11 performance and things that need to occur  
12 and things that need to be addressed. We  
13 will evaluate it for that, and we will  
14 evaluate whether the principles that are  
15 laid out there are consistent with the CEP.

16 At some point again, I think 99 percent  
17 of the cases the contracts will be  
18 fulfilled, the work will be done, we will  
19 sign off on them, and everything will be  
20 fine.

21 MR. RECCHIA: If we get pushed back  
22 where we say we think this really needs to  
23 change and this is inconsistent, the  
24 Regional Planning Commissions are still in  
25 control of being able to say we disagree.

1 And we can leave it there. At that point it  
2 can just stay as not being reconciled.

3 And I think that in the event that a  
4 project comes before the Board, it can be  
5 argued at that point. That's the best.

6 MR. JOHNSTONE: I don't know if that  
7 gets me to dispositive.

8 MR. RECCHIA: No, no, in that case--

9 CHAIRMAN EASTMAN: It won't be  
10 dispositive until the Board --

11 MR. RECCHIA: In that case it wouldn't  
12 be dispositive. It would be substantial  
13 consideration until such time as the Board  
14 --

15 CHAIRMAN EASTMAN: Can I let Chris see  
16 if he's got anything as our Regional  
17 Planner.

18 MS. McCARREN: Let me say one other  
19 thing. When faced with a siting decision  
20 the Board has to have -- when faced with a  
21 siting decision, the Town Plan needs to be  
22 considered, not just for its energy  
23 component, but for its land use,  
24 particularly its decision about cultural or  
25 sensitive areas. So you can't -- when a

1 siting thing is there it can't just be the  
2 energy piece. Are we all on board on that?

3 MR. RECCHIA: Correct. Yes.

4 MS. McCARREN: All right.

5 CHAIRMAN EASTMAN: Do you have anything  
6 you want to add about this idea of, you  
7 know, planning piece, Chris? Are we way off  
8 base?

9 MR. CAMPANY: No. I think -- I guess I  
10 just want to say one thing about the review,  
11 and this is more of a just kind of  
12 consistency issue. We are already somewhat  
13 dispositive writing Act 250, and nobody  
14 views our Regional Plans except for our  
15 towns. So just be mindful of how this --  
16 what door you might be opening.

17 The other issue is, you know, I would  
18 say we are all going on this path together,  
19 and I would say we are all largely on the  
20 same pages. In the future it may not be  
21 Commissioner Recchia and Commissioner --

22 MR. RECCHIA: In fact I can guarantee it  
23 will not be.

24 MR. CAMPANY: It may in fact be 180  
25 degrees from that. In which case I will

1 want to add a position to be able to defend  
2 mightily whether or not our plan comports  
3 with the CEP, and frankly whether or not the  
4 state is even defending the CEP as it  
5 stands.

6 Because when it comes to a PSB process,  
7 we are a party, DPS is a party, ANR is a  
8 party, so when it comes to the dance we are  
9 all out there with our own partners. So  
10 that's -- I don't know exactly how that  
11 works. But I'm just looking down the road  
12 into the future that there may be, you know,  
13 it may not be as -- it may not flow quite as  
14 nicely as it does now.

15 That doesn't mean you change your  
16 recommendations, but I just feel, but at  
17 some level the RPCs do need to be able to  
18 stand our own ground. I think what, Chris,  
19 you're saying the same thing.

20 MR. RECCHIA: I am. Yeah.

21 CHAIRMAN EASTMAN: Okay.

22 MR. CAMPANY: And frankly, I like the  
23 idea of -- I like the approach that we are  
24 talking about energy, and we are looking at  
25 implementing all of the CEP, not just

1 siting, because it does get back to the land  
2 use decisions and lots of other decisions.  
3 And in our plan specifically energy is a  
4 component of all of our chapters. We don't  
5 just have an energy chapter that stands by  
6 itself. It's transportation, it's in our  
7 land use, natural resources, everything. It  
8 flows throughout.

9 And that could be an approach, I don't  
10 know that the other RPCs would necessarily  
11 object to, and this could actually help us  
12 address this issue more -- in a more  
13 realistic manner.

14 MS. MCGINNIS: So I just need to  
15 understand where we are going. Chris, I  
16 want to make sure that you're in the  
17 conversation.

18 MR. RECCHIA: Yeah.

19 MS. MCGINNIS: So I know where we are  
20 going.

21 MR. RECCHIA: I'm here.

22 MS. MCGINNIS: I'm going to revert  
23 slightly, I think it's a combination of the  
24 two discussions, back to the notion that the  
25 Department will review within a certain time

1 frame, because you have to review them all  
2 simultaneously.

3 MR. RECCHIA: Right.

4 MS. MCGINNIS: All of the Regional  
5 Plans, total plans, not just the energy  
6 components, all of the Regional Plans,  
7 concurrently to assess consistency with the  
8 Comprehensive Energy Plan.

9 MS. MCCARREN: No. He reviews all the  
10 -- this is where I can get to agreement. If  
11 he reviews all of the energy portions of the  
12 Regional Plans and the Town Plans for  
13 consistency with the CEP, I'm good. But  
14 when it goes to the Board for siting, it's  
15 not just the energy plan, it's what the town  
16 has said under that section that says I can  
17 say Bristol Cliffs are sacred.

18 MR. RECCHIA: I agree with Louise.  
19 Let's stop. I'm sorry. I'm just thinking  
20 -- I'm good with that.

21 MR. JOHNSTONE: It's more complicated  
22 than that.

23 MR. RECCHIA: It is.

24 MR. JOHNSTONE: I'm sorry. I don't  
25 agree.

1                   CHAIRMAN EASTMAN: I want to be clear  
2 about where we are.

3                   MS. MCGINNIS: I want to be clear about  
4 what I'm writing too.

5                   MR. RECCHIA: Sorry Louise.

6                   CHAIRMAN EASTMAN: What we are talking  
7 about now we have got two things. We have  
8 got his review, the Department's review of  
9 the Regional Plan. And how much of it is he  
10 reviewing, or are they reviewing to be  
11 consistent.

12                   MR. JOHNSTONE: They are more than  
13 reviewing it. Just to use --

14                   CHAIRMAN EASTMAN: They are trying to  
15 determine if it is -- if the energy  
16 components or -- is it the energy components  
17 of the Regional Plan that needs to be  
18 consistent with the CEP, or is it the plan?

19                   MR. JOHNSTONE: It's broader.

20                   MS. MCGINNIS: Asa is trying to raise  
21 his hand.

22                   MR. HOPKINS: Drawing a line of like  
23 this paragraph is the energy portion, this  
24 paragraph is not, is not going to work. It  
25 has to be -- the plan has to be consistent

1 with -- or the energy implications of the  
2 plan have to be consistent with or  
3 something.

4 MR. JOHNSTONE: I think there is a way  
5 to get at what they both want. But I think  
6 it's just another nuanced language. It  
7 can't be the energy portion, I agree with  
8 you, Asa. They have to -- I think that the  
9 Department needs to determine consistency,  
10 not review, and then against the CEP and let  
11 me finish --

12 MS. McCAREN: I'm listening. I'm  
13 nodding my head yes.

14 MR. JOHNSTONE: On the back side I think  
15 you're right, then the Board will also be  
16 giving -- no one will be reviewing the land  
17 use components beyond what the pieces that  
18 what Chris's shop needs to for the energy --  
19 you know, the broad plan consistency with  
20 the energy goals. And then the Board will  
21 still have the opportunity to look at  
22 broader land use questions and protections  
23 that are found in local plans and Regional  
24 Plans.

25 And but in each case, the plans are so

1 interwoven from chapter to chapter that you  
2 can't tell either body to dissect them and  
3 only look at certain language. I don't  
4 think that's workable.

5 MR. RECCHIA: So I like Asa's --

6 CHAIRMAN EASTMAN: Energy implications.

7 MR. RECCHIA: -- implications. Louise,  
8 can you live with that?

9 MS. McCARREN: Somebody is going to have  
10 to summarize it. I'm not sure I got it.

11 CHAIRMAN EASTMAN: What we are talking  
12 about is that in a plan, especially around  
13 energy issues, it's in various places, it's  
14 not just in one place, because it's a lot of  
15 different issues. And so I agree that we  
16 are not asking the Department of Public  
17 Service to approve an entire, you know,  
18 Regional Plan to be consistent with every  
19 state goal.

20 What we are asking them to look at is to  
21 look at the energy implications of the  
22 Regional Plan and determine that the energy  
23 implications are consistent with the CEP,  
24 and if he does that, then the Regional Plan  
25 becomes dispositive in the 248 process, and

1 what the Public Service Board is looking at  
2 is the entire plan, not just the energy  
3 issues, but the entire plan.

4 MS. McCARREN: What I want to protect  
5 against is the possibility that a town would  
6 say this ridgeline has sacred value to us.

7 MR. RECCHIA: Right.

8 MS. McCARREN: And they also have put  
9 together a nice energy plan. This goes to  
10 the -- not you because you're very  
11 reasonable -- but it goes to your successor  
12 who says no, that ridge must be made  
13 available for wind to be consistent with the  
14 energy plan. That is what I want to target.

15 CHAIRMAN EASTMAN: And that's where the  
16 protection is. Where the protection becomes  
17 is just as Chris is saying, I mean actually  
18 this Chris is never going to be looking at  
19 Town Plans. He's only going to be looking  
20 at Regional Plans. Say it came up in the  
21 Regional Plan.

22 MR. JOHNSTONE: They go to the Board.

23 CHAIRMAN EASTMAN: They go to the Board.  
24 And the Board determines whether the  
25 Regional Plan is consistent with the CEP.

1 MR. RECCHIA: I just want to say I agree  
2 with what you said. And I think that needs  
3 to be balanced that way. If you can live  
4 with energy implications of the plan, that  
5 gets us out of an energy chapter into the  
6 whole plan. But it also protects the fact  
7 that we are not reviewing the historical  
8 decisions of the town and whatever else.

9 CHAIRMAN EASTMAN: Okay.

10 MS. McCARREN: I need to think about it.

11 CHAIRMAN EASTMAN: Okay.

12 MR. JOHNSTONE: And just while she is  
13 thinking about it, for me, this backing off  
14 too far from that will have me want to  
15 question whether I can get to dispositive.

16 CHAIRMAN EASTMAN: I understand.

17 MR. JOHNSTONE: Because I think it's  
18 important, at least for me to say, that  
19 that's a really big step, really big step in  
20 the process. And there has got to be  
21 sufficient public good aspect. We have  
22 talked about this as a balancing, and there  
23 has got to be sufficient protections on the  
24 public good aspect for me to get there. I  
25 want to at least have that on the table as

1 well.

2 CHAIRMAN EASTMAN: Got it. So I want to  
3 move from that to --

4 MS. McCARREN: Can't we have a potty  
5 break?

6 CHAIRMAN EASTMAN: Can we just see if we  
7 really need to? I just am curious. We have  
8 Kerrick here to talk about this issue of,  
9 you know, the planning process, what it  
10 might look like for -- at DPS. And I'm  
11 sorry, if we -- okay.

12 I mean what we are saying here is we are  
13 recommending that the Department look at  
14 this process as a way to go. Do we need to  
15 hear any more than that?

16 MR. JOHNSTONE: I do have a question  
17 about it.

18 CHAIRMAN EASTMAN: Okay, great.

19 MR. JOHNSTONE: If it's all right. And  
20 I don't know if it's for Chris or Kerrick or  
21 others, but so my question is, so what we  
22 talk about here is actually that we closely  
23 coordinate. We don't actually say to map to  
24 the VELCO or VSPC process, I don't think.  
25 That's not how I read the language. But

1 Chris kind of cracked the door in his  
2 opening comment on this, I think. Which I  
3 have been thinking about since last time,  
4 which is is there -- is part of the process  
5 that we would recommend for the Department  
6 that they either add some charge to the VSPC  
7 process, or that they create kind of a new  
8 VSPC-like process around siting as part of  
9 the development of their plan that you then  
10 determine consistency against as part of the  
11 internal process.

12 And is there any efficacy in there, or  
13 is that just a silly idea, and we should  
14 just try to make sure that it's coordinated  
15 with your VELCO process and the VSPC process  
16 so -- because we have heard about the good  
17 benefits and values that both of those bring  
18 from the planning. And if it's good enough  
19 for those issues, there is a piece of me  
20 that's thinking, what a nice internal  
21 process to help guide what you need from the  
22 RPCs and to develop that next wave lower.

23 But I haven't been able to drill further  
24 in my own head. I'm not expert enough about  
25 this, so I'll stop there.

1 MS. MCGINNIS: That was a perfect  
2 summary for why Kerrick is here.

3 MR. JOHNSTONE: Good. I didn't even  
4 know that. Just what I have been thinking  
5 about it.

6 MS. MCCARREN: From an editing point of  
7 view, because we trust these guys are going  
8 to invent a process, do we want -- from an  
9 editing point of view -- do we want to  
10 reference the VELCO process, is it too  
11 constraining to -- from a straight editing  
12 point of view?

13 MR. RECCHIA: I think it's a model, and  
14 this is my -- this is what I've got as the  
15 overriding blanket, as you discuss this,  
16 which is I've always looked at this as a  
17 model to be emulated or repeated in the  
18 Department in the context of all this work,  
19 not that I was actually going to use the  
20 VSPC, the actual VSPC that you had for this  
21 purpose.

22 So unless you can convince me otherwise,  
23 or you know, to address Scott's point, but I  
24 have been thinking of it as simply a model  
25 to be emulated.

1 MR. JOHNSON Got you.

2 MR. RECCHIA: Not an actual organization  
3 to be used.

4 MR. JOHNSTONE: Do you have thoughts?  
5 You rarely don't.

6 MR. JOHNSON: I don't mind that. That's  
7 not bad. It's just the quality of the  
8 thoughts that matter.

9 MR. JOHNSTONE: They are always high.

10 CHAIRMAN EASTMAN: I've known him since  
11 he was knee high to a grasshopper.

12 MR. JOHNSON: We always go to the back-  
13 in-the-day stuff.

14 MR. JOHNSTONE: Where were you living  
15 then?

16 MR. JOHNSON: We don't want to go there.  
17 Thank you for the opportunity. I would say  
18 I'm actually glad where your ended up, Chris  
19 Recchia, because of late it's really been  
20 impressed upon me kind of the secrets to the  
21 Vermont System Planning Committee's success.  
22 And that didn't happen overnight.

23 Part of the reason for their success  
24 there was general, this is not a non  
25 sequitur, there was general clarity as to

1 purpose, there was processes put in place,  
2 but the true success of the VSPC was having  
3 to work -- it was an iterative process, an  
4 iterative -- interrelated process with the  
5 stakeholders that have ownership over a  
6 process that there was proposed, I wouldn't  
7 say it's hugely different, but it's somewhat  
8 different on the key steps that make it work  
9 from the way it was proposed.

10 And there are issues that arise in the  
11 execution, especially, of just listening --  
12 of these planning processes, that come up.  
13 And that happened at the VSPC where you had  
14 a narrower, more defined focus. So the  
15 secret to that success has been stay on --  
16 stay focused on the charge, you know, all  
17 the other sort of process stuff that you  
18 have been teaching me for a long time, Jan,  
19 but in addition to that, I don't think it  
20 would be a good idea, and I'll just give you  
21 one quick example of another sort of almost  
22 say cultural issue, why it doesn't make  
23 sense.

24 The legislature was doing their thing  
25 and Chris and I had a conversation because

1 they are at least for a moment in time, a  
2 long moment in time poised to enact a new  
3 law that directly -- it was at least  
4 redundant if not in conflict with a law that  
5 passed last year, Act 170. And it  
6 specifically had new language dealing with  
7 having an escape clause for generation that  
8 provided a grid reliability benefit. There  
9 is language to do that. The language to do  
10 that in the new bill didn't comport, was not  
11 consistent with, was not consistent at all  
12 with language that was passed last year  
13 where there was a very short time frame, the  
14 utilities, the Public Service Board, the  
15 Public Service Department was -- was sent,  
16 go do this. And they did it. They come  
17 back, a lot of work went in it, and advanced  
18 real analytical tools were expanded.

19 I posed to the group, look at all this  
20 great work you did. The legislature's posed  
21 to do this, we need to tell them. And it  
22 was very interesting. I got kind of  
23 frustrated because there was so much concern  
24 about even stepping foot among participants,  
25 about setting foot in the State House to

1 raise this issue and getting involved over  
2 there. And what it took me like 10 minutes  
3 on the call because I couldn't understand  
4 the concern, fear, fear as to what might  
5 happen.

6 MR. RECCHIA: I understand it.

7 MR. JOHNSON: Fair enough. Because  
8 there were very -- it has created a group  
9 consciousness, and they are protective of  
10 that, and they are protective because they  
11 have shared ownership with a clear focus,  
12 it's not static.

13 So there has been statutory kind of  
14 additions, but the fundamental focus on  
15 transmission and understanding the federal  
16 role for transmission, to me that's a very  
17 clear point of delineation. The more -- and  
18 I think the very first time we came and I  
19 sat there, and we talked about this after,  
20 you reminded me how long you've known me,  
21 was that, you know, we are looking at this  
22 with an eye for it. I hope it doesn't, some  
23 of it, migrate directed to transmission  
24 world to make our life more difficult, more  
25 costly, when we already have several

1 masters.

2 So I think there are many things that  
3 commend it to look at as a template as you  
4 both were saying, but I wouldn't say and we  
5 are going to add this. I wouldn't.

6 CHAIRMAN EASTMAN: But the process where  
7 you created it, as you say, a group of  
8 people who have a culture and an  
9 understanding about it is --

10 MR. JOHNSON: I'll stress that it needs  
11 to be this iterative process mapping, and  
12 it's complicated, just listening and having  
13 read the April 3 version, and then Anne had  
14 kindly sent me a little bit of information,  
15 is interconnecting -- the same stuff you  
16 were just discussing, Planning Commission,  
17 Public Service Department, interaction with  
18 the Board, state agencies, ANR, how all that  
19 works.

20 It was difficult when you have the whole  
21 tribes of utilities with the Department and  
22 Efficiency Vermont, and it took awhile. In  
23 many ways that Vermont System Planning  
24 Committee now, in my opinion, functions for  
25 its subset of issues as the operating

1 committee for Vermont's electric utility  
2 industry or operating policy level.

3 CHAIRMAN EASTMAN: I could also see  
4 really for me it would be interesting if you  
5 didn't have, in whatever group, Chris, that  
6 you might end up putting together to help  
7 you the way, you know, planning or the  
8 subbing in one of those people.

9 MR. RECCHIA: VELCO, right.

10 MS. MCGINNIS: Absolutely.

11 CHAIRMAN EASTMAN: That's the  
12 connection. Just have somebody who is there  
13 to add the piece, you know, about the  
14 transmission, talks so much about how that  
15 connection comes. So you just have to  
16 figure out who do your stakeholders need to  
17 be around this, and they may not be exactly  
18 the same.

19 But there may be some crossovers or at  
20 least industry or interest crossovers.

21 MR. JOHNSON: That's a great -- and I  
22 agree. And this is my opinion, Deena and I  
23 have talked about this in advance of this a  
24 bit, and there are -- I think there is some  
25 other participants in the room in the

1 Vermont System Planning Committee, some of  
2 them may say, yeah, let's expand. I doubt  
3 it though. I really kind of doubt it.

4 There will absolutely have to be a link,  
5 but I hope in the writing of -- I'm very  
6 sympathetic for the folks who have to --  
7 actually have to write it.

8 MS. MCGINNIS: Folk.

9 MR. JOHNSON: Excuse me, folk.

10 MR. JOHNSTONE: That would be Linda.

11 MR. JOHNSON: For Linda, who is actually  
12 writing this, in assuring that -- ensuring  
13 that there is at least some flexibility to  
14 understand, I don't know, like individual  
15 Regional Planning Commissions, the timing,  
16 for instance, and the timing of their plans.  
17 How that maps out to the update of the  
18 Comprehensive Energy Plan. How that maps  
19 out to the -- our time line for completing  
20 our three-year update for our long-range  
21 transmission plan. Just the straight up  
22 process interaction let alone --

23 CHAIRMAN EASTMAN: Right. Which is why  
24 I don't think actually that we say much more  
25 than we have said here.

1 MS. MCGINNIS: Can I just read it to  
2 make sure that we can move onward from this  
3 point, because I think what we have put is  
4 -- reflects exactly what Kerrick says, but  
5 Kerrick, I want to make sure you're okay  
6 with what we said too.

7 MR. JOHNSON: What page are you on?

8 MS. MCGINNIS: Page five under process  
9 under number one. The middle of page five.  
10 So this planning exercise should be carried  
11 out in collaboration with ANR and other  
12 relevant agencies and utilities, Regional  
13 Planning Commissions and with ample  
14 opportunity for public input. It should  
15 also be closely coordinated with VSPC and  
16 the VELCO transmission planning process to  
17 proactively plan for the state's future  
18 transmission needs. VSPC and VELCO planning  
19 and public outreach strategies have  
20 demonstrated effective approaches to  
21 collaboration with multiple agencies and  
22 utilities, as well as involving the public  
23 in decisions about alternative scenario  
24 planning, that could serve as important  
25 models to building a roadmap for energy

1 plan. Models and collaboration is the two  
2 key words.

3 MS. McCARREN: I don't disagree with one  
4 word there. The question is, is it too  
5 prescriptive thereby tying the hands of the  
6 Department?

7 CHAIRMAN EASTMAN: I don't think it's  
8 too prescriptive.

9 MS. McCARREN: Okay.

10 CHAIRMAN EASTMAN: And what I like about  
11 it is, and this is something that I --  
12 because many of the legislative proposals  
13 this year talked about planning, either  
14 Regional Planning or going to have a  
15 statewide plan around this issue. I think  
16 what this does is show that there is or has  
17 been or there is currently, an effective,  
18 statewide model relative to transmission in  
19 Vermont.

20 And so what we have tried to do is go  
21 look at something that actually has had some  
22 success. Now it may not be that you may  
23 decide something else. But for once we can  
24 say to somebody, oh, yeah, somebody has been  
25 doing something, and it seems to be working.

1 MR. RECCHIA: I'm good with that.

2 MS. MCGINNIS: I have one question and  
3 one that was raised by Tom, and that's for  
4 you, Kerrick. And we don't necessarily have  
5 to relate it to VSPC, but I just want to  
6 know in the first line we say the planning  
7 exercise should be carried out in  
8 collaboration with other relevant agencies,  
9 utilities and Regional Planning Commissions.  
10 Tom added local and Regional Planning  
11 Commissions.

12 Do you in your work with VSPC work with  
13 local Planning Commissions and/or Regional  
14 Planning Commissions?

15 MR. JOHNSON: Through the VSPC?

16 MS. MCGINNIS: Yeah.

17 MR. JOHNSON: Not -- indirectly. VELCO  
18 does. And that's kind of our role that we  
19 offer up to the groups, but in terms of  
20 defined, required interaction with Regional  
21 Planning Commissions and the like or local,  
22 I don't think that we do.

23 MS. MCGINNIS: Okay.

24 MR. JOHNSON: But there is one other  
25 point, you know, the system doesn't sleep.

1 MS. MCGINNIS: Right.

2 MR. JOHNSON: And just yesterday -- just  
3 -- let me give you the specific, which  
4 points to the broader issue.

5 Just yesterday there was a press release  
6 issued for a -- regarding a response to  
7 Massachusetts' RFP for essentially 300  
8 megawatts or thereabouts of new wind. One  
9 of the proposals that's going to be put  
10 forward is from an independent project  
11 developer that will seek to utilize, may  
12 seek to utilize, there is lots of steps to  
13 go, but it points up to an issue, may seek  
14 to utilize VELCO's transmission corridor.

15 We're prohibited from federal law simply  
16 saying you can't come here. So to the  
17 degree we understand what factors have to be  
18 considered that we are planning for, I think  
19 as long as it's -- I guess I wanted to share  
20 that. Just we are talking about -- if it's  
21 subsumed through future transmission needs,  
22 there is just going to be good stuff that we  
23 know, stuff that we are working with all the  
24 parties that we have already identified we  
25 will know. In addition though, the regions'

1 impact because of geography and system  
2 physics such that Vermont can be between  
3 supply and demand.

4 CHAIRMAN EASTMAN: Just like we are for  
5 Hydro-Quebec.

6 MR. JOHNSON: Yup.

7 CHAIRMAN EASTMAN: And it's gone through  
8 the Northeast Kingdom. And --

9 MR. JOHNSON: The only difference here  
10 is that we build transmission for  
11 reliability. That's the only transmission  
12 we have built thus far. There may be  
13 transmission to help serve one of our  
14 owner's power supply needs. That's new.  
15 The newer creature is this more economic  
16 transmission or public policy transmission.  
17 And so presumably you would bring that to  
18 the table. It's just that if we are  
19 starting broader to understand we are  
20 capturing stuff, I just wanted to raise  
21 that.

22 MR. BODETT: Before we move off that  
23 point that Linda brought up, my reason for  
24 adding the local plan there was to I almost  
25 feel like we should always mention local and

1 Regional Planning in the same breath because  
2 as Chris and I have discussed outside,  
3 people forget that Regional Planning is all  
4 local Planning Commission members on the  
5 Regional Plans, and it's all -- it is local  
6 planning. It's sort of a compendium, I  
7 don't know what you would call it. But  
8 Regional Plans don't exist without local  
9 approval.

10 MR. CAMPANY: Our municipalities approve  
11 our Regional Plan.

12 CHAIRMAN EASTMAN: That's why I feel to  
13 the extent that Chris is going to be working  
14 with the regions to, you know, to do this  
15 iterative work, the regions are very  
16 definitely going to --

17 MR. RECCHIA: Be doing that with the  
18 towns.

19 CHAIRMAN EASTMAN: Be doing that with  
20 the towns.

21 MR. BODETT: People tend to forget that.  
22 Select boards forget that the region is us,  
23 because it isn't all us.

24 MR. CAMPANY: I'm not seeing the draft.  
25 Do you speak --

1 MS. MCGINNIS: It was just in this  
2 process when I was trying to describe the  
3 process that the Department will carry out,  
4 and this is where I want to make sure,  
5 Chris, I understand from you, saying this  
6 planning exercise should be carried out in  
7 collaboration with ANR and other relevant  
8 agencies, utilities, Regional Planning  
9 Commissions and with ample opportunity for  
10 public input.

11 I'm happy to put local in there, but in  
12 a couple of drafts back and forth sometimes  
13 that gets taken out because the reality is  
14 such that you may not be able to work with  
15 all local, so I just want to make sure  
16 you're okay with adding local in there.

17 MR. RECCHIA: Well --

18 MR. CAMPANY: I guess one of the things  
19 I would suggest, this might help Tom, is  
20 maybe I don't know if you're doing footnotes  
21 or end notes or whatever, but it might be  
22 useful to note that by statute Regional  
23 Plans are approved by RPC member towns. And  
24 that are inherently linked to town planning  
25 processes.

1 MR. RECCHIA: I would prefer that.  
2 Because I don't want to imply in this  
3 particular instance, I generally agree with  
4 Tom, wherever we are mentioning Regional  
5 Plans we could mention local plans as well.  
6 In this particular context I don't want it  
7 to be assumed I'm going to be working with  
8 individual towns either in conflict with or  
9 in addition to the regional.

10 MS. MCGINNIS: That's why I wanted to  
11 bring up the issue.

12 MR. RECCHIA: Let them do the job with  
13 the towns.

14 MR. CAMPANY: Frankly a lot of towns  
15 will not want to play in that game.

16 MS. MCCARREN: I have a totally profound  
17 question to ask. You have been waiting for  
18 this. We use the term town, and we use the  
19 term municipality, what is the right term?

20 MR. CAMPANY: Municipal.

21 CHAIRMAN EASTMAN: Municipal plan.

22 MS. MCCARREN: The statute says that.  
23 Just so -- we are not confused.

24 MR. RECCHIA: That was very profound.

25 MS. MCCARREN: Very profound.

1 MS. MCGINNIS: Should I change it  
2 throughout the document? I've used them  
3 interchangeably assuming everybody  
4 understood they were interchangeable, but if  
5 I need to make it municipality.

6 MR. BODETT: It includes villages and  
7 other.

8 CHAIRMAN EASTMAN: Yeah. Municipal  
9 plan. Because then it does the cities, it  
10 does --

11 MR. RECCHIA: Madam Chair, a couple of  
12 specifics associated with this when you're  
13 ready, but I don't want to interrupt the  
14 fact that we have Kerrick here.

15 CHAIRMAN EASTMAN: Are we done with  
16 Kerrick?

17 MR. RECCHIA: I'm done with Kerrick.

18 MR. JOHNSTONE: Never, never.

19 MR. JOHNSON: No more thoughts.

20 MR. BODETT: How far back do you and Jan  
21 go? I'm kidding.

22 MR. JOHNSON: Early '80s.

23 MR. RECCHIA: Did you notice electric  
24 prices were really high then?

25 MR. JOHNSON: Yes.

1 MR. LEWENDOWSKI: That's why he is where  
2 he is today.

3 MR. JOHNSON: When I grew up that's when  
4 they first started putting -- they don't  
5 have anymore -- the stickers on the switches  
6 and saying turn off when you leave. And  
7 everyone did it actually.

8 MS. MCGINNIS: As everyone should.

9 MR. JOHNSTONE: We have them on all our  
10 lights. Some people still live it.

11 MR. JOHNSON: I'm around.

12 CHAIRMAN EASTMAN: Okay. So specifics,  
13 and do we need a break? She needs a break.  
14 If we go to break for five minutes, just a  
15 five-minute break, and then do specifics,  
16 and we will maybe move off from this.

17 (Recess was taken.)

18 CHAIRMAN EASTMAN: I just want to get  
19 through this.

20 MR. JOHNSTONE: Thank you. You're  
21 awesome.

22 CHAIRMAN EASTMAN: You've got a couple  
23 questions.

24 MR. RECCHIA: Yes, these are specifics  
25 in the context of what the Regional Plans

1 currently do versus what they need to do.  
2 So right now there is a general provision  
3 that Regional Plans may include some nice  
4 feeling energy components, right? I feel  
5 like that needs to be beefed up to be, I'm  
6 actually talking to Chris, that they shall  
7 include energy components. And that they  
8 have to ensure -- something about ensuring  
9 consistency with the Comprehensive Energy  
10 Plan.

11 MR. CAMPANY: You're talking about in  
12 statute.

13 MR. RECCHIA: Yes. We need a statutory  
14 change.

15 CHAIRMAN EASTMAN: And that's what  
16 recommendation two is proposing.

17 MR. RECCHIA: Okay.

18 MS. MCGINNIS: Well it's not as  
19 definitive, yes. I said changes need to be  
20 made in a whole bunch of statutes, and I  
21 have had lots of back and forth with Chris  
22 and Jim.

23 MR. RECCHIA: I can provide you with the  
24 specific section, but I don't necessarily  
25 want to drive specific language unless you

1 want me to.

2 MR. CAMPANY: We started kicking back  
3 some language.

4 MS. MCGINNIS: Let me just send you  
5 their stuff.

6 MR. RECCHIA: Let's do that.

7 MR. BODETT: Is that what we got  
8 yesterday from Jim Sullivan?

9 MS. MCGINNIS: Oh, I did send it.

10 MR. RECCHIA: Okay. I've got it  
11 already. So I'll try and include something  
12 on this.

13 MR. CAMPANY: What I had suggested is  
14 guidelines, policy and land use maps, which  
15 is pretty specific.

16 MR. RECCHIA: That's pretty specific.

17 MR. CAMPANY: Can I raise an issue  
18 that's brought up to me twice in the last  
19 five minutes, which is what happens when you  
20 have -- and this is an issue that I don't  
21 know the answer to this. Because we  
22 normally -- so when we review plans now, we  
23 look at them to see to what extent the towns  
24 A, okay, so a town chooses to submit a  
25 Municipal Plan to the RPC for approval and

1 confirmation, right? And then what we look  
2 at is to what extent at first does it  
3 comport with statute. Second to what extent  
4 does it comport with the Regional Plan.  
5 Third, to what extent does it comport with  
6 provisions of the surrounding  
7 municipalities. So wind has always been an  
8 issue, but it's not, you know, it's tended  
9 to loom less large of an issue than say  
10 what, you know, what are your housing  
11 densities. Do you have a commercial  
12 district that comes right up to a  
13 conservation land district, that kind of  
14 stuff.

15 So when we get to energy plans, this is  
16 going to be new territory. And I don't know  
17 the answer to that. Because frankly it only  
18 emerges as an issue when a project is  
19 proposed. At other times those dogs are  
20 asleep and lying peacefully.

21 MS. MCGINNIS: I'm sorry. The issue is?

22 MR. CAMPANY: When one town says yea --

23 MS. MCGINNIS: And another says no.

24 MR. CAMPANY: And especially when we are  
25 talking, and frankly this is pretty much

1 specific to commercial wind. I could see it  
2 come up potentially with a really large  
3 solar farm project that would be within  
4 view, within a viewshed. I could see an  
5 upper -- a high mountain slope, high meadow,  
6 with, you know, solar array where people  
7 would reject that.

8 You drive through Hatfield,  
9 Massachusetts right now and think solar is  
10 benign. You drive through Hatfield, Mass.,  
11 and see all the signs. I have no idea what  
12 the solar project is there, but it looks  
13 like driving through Newark up in, you know,  
14 as far as the signs about no big solar.

15 So anyway, so we have got -- I don't  
16 know what -- and it might be that -- I'm  
17 still working this out. I don't know if we  
18 -- if that would need to be addressed by a  
19 statute where there is conflict, or if this  
20 would be something we would work out through  
21 this planning process.

22 MR. RECCHIA: Right.

23 MR. CAMPANY: I wish I had the answer,  
24 but I don't yet.

25 MR. RECCHIA: I'm kind of counting on

1 you guys, if you've got towns that are  
2 inconsistent, that you will figure that  
3 magic out. It doesn't mean that each town  
4 needs to accommodate everything in the other  
5 town, but they need to be able to work  
6 together. That's really the standard that  
7 I'm looking for is that they are not  
8 incompatible. Go ahead.

9 MS. McCARREN: Okay. The way I read the  
10 Municipal Plan section on the energy piece,  
11 it's -- it doesn't say -- it says you need  
12 to consider all these things. So if a town  
13 -- if a town basically goes through, does  
14 the checklist, it's considered all of this,  
15 you don't substitute your judgment as to the  
16 content. You're just looking -- this is a  
17 question, not a statement -- you're just  
18 looking that they have actually done all of  
19 these many things such as thermal integrity  
20 standards, et cetera, et cetera. So if a  
21 town has a thermal integrity standard for  
22 buildings, and you don't substitute your  
23 judgment as to what it should be, you say,  
24 great, they have one check.

25 MR. CAMPANY: Yeah, right. And we raise

1 a flag.

2 MS. McCARREN: Yeah.

3 MR. CAMPANY: Because in that case this  
4 is a component required by statute and you  
5 don't have it. The issue gets to where  
6 there is a real conflict in what one town  
7 explicitly allows and what another town  
8 explicitly does not allow. So when it comes  
9 to commercial wind, does that rise to the  
10 level of when we review a Town Plan we look  
11 at conflicts in their future land use maps,  
12 right? So like on one ridgetop does one  
13 have a resort district and the other one has  
14 conservation or wilderness area. There is a  
15 conflict that we would raise our hand and go  
16 you two need to talk. We would also, of  
17 course, look at the Regional Plan to see  
18 what, based on prior town approval, when the  
19 Regional Plan was adopted, what does our  
20 anticipated future land use say.

21 So this is going -- I'm just saying this  
22 is going into a bit of terra incognita, and  
23 we are going to have to figure that out.

24 Not to throw a squirrel in the punch  
25 bowl.

1 MR. RECCHIA: That's fine. I think none  
2 of that is a surprise to me. I think the  
3 specifics that I was talking about though  
4 are try and enhance the requirement of the  
5 Regional Planning Commission to address the  
6 Comprehensive Energy Plan components in the  
7 energy piece that you're working on.

8 CHAIRMAN EASTMAN: And so that's making  
9 some additional changes to two, you're  
10 suggesting.

11 MR. RECCHIA: Yes. And this is 24  
12 V.S.A. 4348(a). And it's really a must to  
13 -- changing a may to a must to deal with the  
14 energy piece. Make sure it's consistent  
15 with the CEP, that's part of the criteria  
16 that should be used. Then to address a  
17 point that was raised before, you know, we  
18 are going to be updating the Comprehensive  
19 Energy Plan every six years if the  
20 legislature gives us what we are asking for  
21 to align all these dates. We would suggest  
22 that the Regional Plans -- after this  
23 initial round that the Regional Plans then  
24 be updated within a year following any  
25 update to the Comprehensive Energy Plan. So

1 we would keep that process going.

2 MS. MCGINNIS: Sorry?

3 CHAIRMAN EASTMAN: You've got to speak  
4 up.

5 MS. MCGINNIS: Not just that, maybe you  
6 should write this out for me.

7 MR. RECCHIA: Yes, I will.

8 MS. MCGINNIS: Because I think it's  
9 very, very specific stuff. That if you want  
10 it included in the writing would be great.

11 MR. RECCHIA: I will. I just didn't  
12 want to surprise the rest of the Commission.

13 MS. MCGINNIS: One of the words that I  
14 had been using and I want to make sure  
15 you're okay with it is that the Regional  
16 Plans would need to be updated annually. Is  
17 that too much?

18 CHAIRMAN EASTMAN: Yeah.

19 MR. RECCHIA: Yes, that's too much.

20 MS. MCGINNIS: Okay. I need to make  
21 sure that that changes. And you're saying  
22 once every six years which to me seems a  
23 little long.

24 MR. RECCHIA: Right. So I will reword  
25 this for you. But the concept is that if

1 the Comprehensive Energy Plan is updated or  
2 revised, which is mandated every six years  
3 and can occur sooner, that then Regional  
4 Plans be updated within a year following  
5 that.

6 CHAIRMAN EASTMAN: And right now isn't  
7 it every five years, Chris?

8 MR. CAMPANY: Municipal plans are  
9 updated every five years, Regional Plans are  
10 updated every eight years, and the CEP is  
11 updated every six years.

12 MR. RECCHIA: Sorry. We had to go with  
13 six instead of five because we have energy  
14 plans, the biennial report that's quickly  
15 becoming a triennial report that's due every  
16 two years. We wanted to have every three of  
17 those be part of the Comprehensive Energy --  
18 it's a long story. We are trying to align  
19 all the dates.

20 MR. CAMPANY: And this is one of the  
21 reasons why I have suggested that in  
22 addition to -- this is not RPC saying please  
23 give us funding, but right now, our work on  
24 energy -- so we are talking about the  
25 initial funding to support the energy plan

1 enhancement development, et cetera.

2 MR. RECCHIA: Right. Yeah.

3 MR. CAMPANY: Energy planning is  
4 something we do on a regular basis, but  
5 right now it's kind of as we get to it,  
6 after the DEHCD contract and the matches for  
7 the transportation planning and emergency  
8 planning and everything else, there is no  
9 funding to us for energy planning other than  
10 what we got through ARRA, American  
11 Reinvestment Recovery Act funds. If this is  
12 going to be on an ongoing basis we probably  
13 should look at some source of funds.

14 I don't think DPS would necessarily be  
15 overjoyed. It would make sense to come  
16 through you guys, but you probably don't  
17 want it to come out of your core budget.

18 CHAIRMAN EASTMAN: I think in light of  
19 that, when we get to recommendation three,  
20 we are just going to say that RPC planning  
21 costs must be funded. Not initial.

22 MS. MCGINNIS: But there is two things.  
23 It says initial RPC funding costs must be  
24 funded to give the legislature an idea of  
25 how much it is to be allocated by the

1 Department in order for these  
2 recommendations to be effective. And that's  
3 where I say annual updates should be covered  
4 by filing fees assessed to the applicants or  
5 something, an annual fee, similar to a gross  
6 receipts tax. So there is two different  
7 things.

8 CHAIRMAN EASTMAN: I understand. But  
9 when I see the title bolded I want it to be  
10 RPC planning costs, not -- must be funded,  
11 not initial costs, because people won't read  
12 the other thing. They are going to read the  
13 recommendation as what our highlight is. So  
14 then, yes, we can explain that initial costs  
15 are estimated at X, and here's the way to  
16 fund them or whatever.

17 To me, relative to how we fund things  
18 and this goes to a later recommendation, I  
19 think we should say what should be funded  
20 and have a recommendation on here's the  
21 potential source of funds, but the  
22 Department and the Agency and the  
23 legislature are going to ultimately decide  
24 what things work best.

25 And I didn't mean not to acknowledge

1           you, Karen. We are going to get to the  
2           municipal questions in a bit.

3           MS. HORN: Would it be okay to make a  
4           comment just on this? Because I think it's  
5           important to note that if a Town Plan and a  
6           Municipal Plan in the end -- and a Regional  
7           Plan in the end don't agree, the Regional  
8           Commission should -- I'm going to get into  
9           triple negatives here -- the Regional  
10          Commission should approve a municipal  
11          planning process even if it might have a  
12          different result from the Regional Plan.

13          They have done their planning, and there  
14          are probably legitimate reasons for coming  
15          up with something different. And ultimately  
16          the Public Service Board is going to, I  
17          think, be the one who is going to have to  
18          sort these things out if the municipalities  
19          and the region can't agree. And that will  
20          happen.

21          MR. JOHNSTONE: I think we covered that  
22          if we end up at substantial for towns. The  
23          way that -- I think we allow for that  
24          scenario that you talk about, sorry I can't  
25          see you, within this.

1           CHAIRMAN EASTMAN:  And when we get to  
2           recommendation five right now which deals  
3           with municipal plans that need some  
4           reworking came -- the language came from  
5           South Burlington right, so --

6           MS. MCGINNIS:  Some of it did.

7           CHAIRMAN EASTMAN:  Some of it did.  I  
8           think we need to rework it so it works for  
9           places beyond, you know, South Burlington  
10          may have much more capacity than other  
11          people to do things.  So when we get there.

12          MR. RECCHIA:  So one more, again, this  
13          is not so much for you in terms of specific  
14          language, because I will provide it.  But  
15          it's really to make sure that the Commission  
16          understands the concepts that I'm throwing  
17          out.  So last one is there is already a  
18          prohibition in statute, I believe, that  
19          disallows towns from prohibiting projects of  
20          this sort completely.  We are suggesting  
21          that stay, and I just want to be clear about  
22          that.

23          MS. MCGINNIS:  Prohibition in statute --  
24          say that again.

25          MR. RECCHIA:  That you can't just say

1 no. We have already got that concept.

2 MR. CAMPANY: And you mean no energy  
3 generation period. Not specific.

4 MS. McCARREN: Is that in the --

5 MR. RECCHIA: Right.

6 MR. CAMPANY: I get that question a lot.

7 MR. RECCHIA: You can't zone it out  
8 entirely.

9 MR. CAMPANY: By "it" you mean all  
10 energy generation, period. Or do you mean  
11 --

12 MR. RECCHIA: I just mean let's go with  
13 the existing statute as it is, whatever it  
14 means right now.

15 MR. CAMPANY: Okay.

16 MR. RECCHIA: Rather than complicating  
17 it.

18 MR. CAMPANY: I want you to answer that  
19 question because I get asked it a lot.

20 MR. RECCHIA: I will try to do that for  
21 you at another time. And then the question  
22 really is what Kerrick just raised if a  
23 project is needed for reliability purposes,  
24 is there an escape clause here somewhere for  
25 the Board, or does that statute already

1 exist?

2 MS. MCGINNIS: Sheila?

3 CHAIRMAN EASTMAN: No. I don't think  
4 there is an escape clause right now for  
5 reliability.

6 MR. RECCHIA: What Kerrick was just  
7 talking about a minute ago in terms of if a  
8 project is needed for reliability, it was  
9 statutory language last year that he didn't  
10 want to see messed up this year. Does that  
11 exist now for projects?

12 MS. GRACE: I'm passing it to Asa.

13 MR. HOPKINS: I believe that the -- you  
14 know, should have asked Kerrick while he was  
15 still here, we dismissed him. But my  
16 understanding that there is --

17 MS. GRACE: He is still here.

18 MR. HOPKINS: There is particular  
19 language --

20 MS. GRACE: I'm taking it away from Asa  
21 and giving you a question for Kerrick.

22 MR. RECCHIA: The witness has been  
23 recalled.

24 MR. CAMPANY: How long have you and Jan  
25 known each other?

1 CHAIRMAN EASTMAN: That's an important  
2 question. It's how well we know each other.

3 (Laughter.)

4 MR. RECCHIA: The question on the table  
5 is --

6 MR. JOHNSON: Sure.

7 MR. RECCHIA: You mentioned the  
8 reliability issue of having -- there was a  
9 statutory change last year, that enabled --

10 MR. JOHNSON: Act 170.

11 MR. RECCHIA: -- enabled transmission in  
12 the context of a reliability project.

13 MR. JOHNSON: It enabled generation.

14 MR. RECCHIA: Generation.

15 MR. JOHNSON: To not accrue towards the  
16 cap if it provided, and then there is very  
17 specific language, sufficient grid  
18 reliability, I'm going to paraphrase.

19 MR. RECCHIA: It's not reliability.

20 MR. HOPKINS: It's sufficient benefit of  
21 the operation and management of the electric  
22 grid.

23 MR. JOHNSON: What Asa said.

24 MR. HOPKINS: The question is how do you  
25 put this language into this?

1 MR. RECCHIA: Should that language be --  
2 it already exists. Does that apply -- so if  
3 we have Regional Plans and projects, and we  
4 are all evaluating a specific project and  
5 nobody likes it, but it's needed for benefit  
6 to the grid --

7 MR. HOPKINS: But it provides sufficient  
8 benefit to the operation and management of  
9 the grid.

10 MR. RECCHIA: Should the Board be able  
11 to approve that project? Is that necessary?

12 MS. McCARREN: I'm lost.

13 MR. JOHNSON: Well let me even go to --  
14 let me go to a higher level conflict. I  
15 would say that is a narrower -- it's a  
16 subset of a particular types of generation  
17 project that has -- carries with it a cap,  
18 and how you can still be built even above  
19 and beyond and not count towards the cap.

20 MS. McCARREN: What cap are we talking  
21 about?

22 MR. HOPKINS: In the context of the  
23 standard offer.

24 MS. McCARREN: Thank you.

25 MR. JOHNSON: In addition to that though

1 there is established statutory policy that  
2 VELCO as a transmission utility will seek  
3 wherever possible to implement and execute  
4 non-transmission alternatives before we ever  
5 seek -- we have to make an affirmative  
6 declaration to the Vermont Public Service  
7 Board that we have done everything we can to  
8 not build what we are seeking to build. To  
9 the degree you're seeking to reconcile and  
10 identify a potential conflict, that's a very  
11 high level, so the conflict could be -- we  
12 don't want this generator here, and we say  
13 well look, either we build a 15-mile  
14 transmission line here, or we build this.  
15 So what's your pleasure?

16 MR. JOHNSTONE: That's kind of why  
17 everything is centered on the public good.

18 MS. MCGINNIS: Exactly.

19 MS. MCCARREN: Well there is a whole  
20 other issue about the difference about who  
21 pays transmission and who pays generation,  
22 Kerrick, which we are not talking about  
23 that.

24 CHAIRMAN EASTMAN: But that will be part  
25 of the docket, won't it?

1 MS. McCARREN: No. You can't -- no.  
2 Never mind. Right? Asa is saying no, no,  
3 don't go there. Be quiet.

4 MR. RECCHIA: So I'm done with my list.  
5 Glad I could help.

6 CHAIRMAN EASTMAN: It's 11:20. And some  
7 specificity things are why we are set to  
8 finish April 30th, and there is a lot of  
9 work to be done. And we are not going to be  
10 able -- I know the devil is in the details,  
11 and whatever, and so I'm hoping we get  
12 enough guidance on, here are the kinds of  
13 things we want you to balance and weigh,  
14 based upon what we heard, but I am not going  
15 to get to the level of detail where I can  
16 sign off and say thou shalt do it this way  
17 or do it no way.

18 Because you are going to have -- as you  
19 go through legislative changes or rulemaking  
20 changes or guidelines, you're going to have  
21 lots of opportunity for everybody else with  
22 technical expertise to provide comments.  
23 Okay? This is where I say I'm Secretary,  
24 not Commissioner or not staff. I don't need  
25 to know that stuff. Okay.

1 MR. JOHNSTONE: But I think we have that  
2 balance. Just to speak positively now about  
3 -- the question is are we missing something  
4 in what we have that would force us to not  
5 deal with the reliability issue? And that  
6 -- we have retained the notion of public  
7 good, that's partly why we kept it at Act  
8 248. It's partly why we have been balancing  
9 very carefully how far you can go in  
10 planning so the Board can still determine  
11 public good.

12 The question, I guess, is do you feel  
13 like we have left --and I'm looking at Asa  
14 too or Kerrick -- have we left a gap where  
15 we could end up making a really dumb choice  
16 because, you know, public good isn't -- is  
17 too far down the trail now. I'm not feeling  
18 like that, to your point. I'm trying to  
19 keep -- pull it back up to 25,000 feet to  
20 your point.

21 CHAIRMAN EASTMAN: Well and again what  
22 we get is that's again why we go back to the  
23 conversation we had with Kerrick earlier,  
24 and the fact that the CEP planning process  
25 and everything is going to have to connect

1 to all these, you know, connect to  
2 transmission and all these other things.  
3 People need to talk.

4 And there is a whole series of planning.  
5 I mean as Avram reminded me, that's done by  
6 utilities that goes to the Public Service  
7 Department, and so what we are just saying  
8 is you're already-- you're already juggling  
9 a lot of balls and a lot of pieces and  
10 trying to put a jigsaw puzzle together.  
11 What we are recommending is the piece that  
12 isn't being put together relative to  
13 generation right now is the land -- is the  
14 things coming up, and we are trying to find  
15 a way to get that stuff into the puzzle.

16 MR. JOHNSON: Two points, if I may.

17 CHAIRMAN EASTMAN: Sure.

18 MR. JOHNSON: One is, and I was talking  
19 with Deb out in the hall a little bit, one  
20 of the things we learned, and I was thinking  
21 about this in kind of response to our  
22 conversation around local Planning  
23 Commissions, Regional Planning Commissions.  
24 The VSPC doesn't, but I do, we do make a  
25 concerted effort -- we are not statutorily

1 required to, but we do, we do this 20-year  
2 long-range plan, and we beg people to show  
3 up. Beg them. We get really creative. We  
4 try all sorts of ways to get people to go  
5 and listen and pay attention because here's  
6 where iron might go. It is a challenge.

7 And basically I hope -- I'll just say I  
8 hope that the Regional Planning Commissions  
9 are understanding that the degree that you  
10 can be creative to get people to show up, to  
11 understand the import of what's on the  
12 written page, and therefore what will happen  
13 is key, because regardless if you use the  
14 word dispositive or not, when the iron goes  
15 in the ground people will show up. And they  
16 will do whatever possible to overturn that  
17 which seems to be the rules at the moment.

18 MR. CAMPANY: To that end we have to  
19 drum up business to get people to your  
20 events.

21 MR. JOHNSON: Exactly.

22 MR. CAMPANY: Warning that, you know,  
23 now is the time to speak because -- yeah.

24 CHAIRMAN EASTMAN: Okay. One more  
25 point.

1 MR. JOHNSTONE: There were two points,  
2 Kerrick.

3 MR. JOHNSON: There were two. Back to  
4 the youth. What were you saying, Chris,  
5 about the right level of detail -- oh, in  
6 terms of a process step, and maybe it's  
7 concrete or maybe it's not. I'm trying to  
8 remember.

9 That which created the Vermont System  
10 Planning Committee was a Memorandum of  
11 Understanding. There was a whole bunch of  
12 parties, and they got together, and there is  
13 an MOU. I'm going to tell you that MOU was  
14 written by the lawyers for respective  
15 companies. And when the CEOs -- what?  
16 Here's what we signed up for. There were  
17 some pain and anguish. I'm being as candid  
18 as I can. There was some pain and anguish  
19 in terms of implementing that and making  
20 that work.

21 What's happened is over time people have  
22 seen the value of participation and  
23 investing time, money and resources, people,  
24 in that process. To the degree there is a  
25 feedback loop, is this working, did we miss,

1 was there something that we need to kind of  
2 plug back in, to the degree that feedback  
3 kind of loop is established, articulated, is  
4 something to do, I would suggest that would  
5 be worthwhile.

6 MS. MCGINNIS: This is a question I  
7 have. I'm sorry. Just to interrupt on the  
8 annual thing, and the reason I had put  
9 annual is in part, and it's not well  
10 articulated, is this concern that in the  
11 beginning on this planning process when the  
12 Department is going to be working with the  
13 regions and the regions are going to be  
14 working with the towns, there is a hugely  
15 iterative process that isn't going to be a  
16 one-off thing, and that may last a couple of  
17 years, and will need to be updated pretty  
18 quickly after you finish the first round,  
19 just because it will have taken so long to  
20 get to --

21 CHAIRMAN EASTMAN: I don't think we can  
22 say annual. I think in the process -- it  
23 will come out in the process when it needs  
24 to happen.

25 MR. JOHNSTONE: I think the way to think

1 about it is not annual or necessarily six-  
2 year cycle. Frankly, maybe I'm wrong, VSPC  
3 is not a one off. It continues to work.

4 MR. JOHNSON: It continues, and I don't  
5 want to belabor, it continues to work  
6 because what happened is the group  
7 collectively got together and frankly when,  
8 I'll just say this, in addition the  
9 Department really made a decision we are  
10 going to participate. Thank God for Asa and  
11 other people, and T.J., seriously, they do  
12 really, really good work and that's quite an  
13 investment.

14 ISO New England is showing up at the  
15 Vermont system, that's unbelievable, but it  
16 took a few years, so there was an annual  
17 kind of, all right, what's going on.  
18 Sometimes the VSPC --

19 MR. JOHNSTONE: Consistent effort is the  
20 way to frame this perhaps.

21 MR. JOHNSON: You decide.

22 MR. JOHNSTONE: Something like that.

23 CHAIRMAN EASTMAN: Exactly. I don't  
24 think we put a time line on it. I think we  
25 put an effort on it.

1           The other thing for me is maybe we need  
2 to say this here, I've always been a  
3 believer of when you propose something new  
4 legislatively that you're trying out -- I  
5 wish this had happened when we did the whole  
6 renewable thing 10 years ago -- what we need  
7 to be careful, and maybe we need something  
8 about this, but the legislature needs to  
9 understand and the public needs to  
10 understand -- to me is once you try and  
11 implement something, you go through this  
12 process, you'll learn something. And maybe  
13 some of what you learn then requires new  
14 adjustments. And that doesn't mean that you  
15 screwed up and that we were wrong. It's  
16 that hopefully we actually learned something  
17 from all of this.

18           And I think that there are plenty of  
19 things that we don't know about that may  
20 come up, and we just have to, again, that's  
21 why planning is iterative and things change.  
22 And so you know, get enough guidance, but  
23 hey, we may need to be back. And I always,  
24 you know, and the whole thing is it would be  
25 nice to go back with you guys pushing the

1 agenda on what you think the energy future  
2 should be as opposed to having, I don't know  
3 how many bills you have had this year, to  
4 deal with.

5 MR. RECCHIA: 47.

6 CHAIRMAN EASTMAN: And so instead of  
7 having it in 47 pieces, have it in one piece  
8 with however many issues need to be  
9 addressed on any given day or year.

10 MR. RECCHIA: My new statutory rule, if  
11 I had to make a law change, it should be  
12 disallowed to have the Department have to  
13 review more bills than they have staff. So  
14 44 staff, I want to limit it to 44 bills.

15 CHAIRMAN EASTMAN: Well back in the old  
16 days when I had to review all the statutes,  
17 all the statutory requirements for people to  
18 do business in the State of Vermont and to  
19 do things, my proposal was the next time you  
20 want to propose a new one, you have to get  
21 rid of two.

22 MR. JOHNSTONE: Not just one for one.

23 CHAIRMAN EASTMAN: No, it wasn't one for  
24 one. If you knew some of the things that  
25 are still on our books.

1 MR. CAMPANY: Is that a recommendation  
2 -- is that a recommendation that you guys --  
3 I mean because in a perfect world --

4 MR. JOHNSTONE: Which? Getting rid of  
5 two?

6 MR. CAMPANY: It would seem that you  
7 would have an energy bill just like we have  
8 a transportation bill.

9 MR. RECCHIA: Yes.

10 MR. CAMPANY: We are talking about the  
11 next generation energy infrastructure.

12 MR. JOHNSTONE: Sure.

13 MR. CAMPANY: And you don't have the  
14 Agency capacity that say of AOT does, but  
15 ultimately all of this needs to be able to  
16 have a claw. And I didn't know if that  
17 would be actually a recommendation or not  
18 about looking at how to look at  
19 infrastructure development which -- because  
20 this is part of what Jan got at very early  
21 on, where instead of the merchant plants  
22 just kind of sticking stuff where they want  
23 to, how does this all come together to form  
24 Vermont's future energy infrastructure.

25 You certainly wouldn't build an

1 interstate system like this. If we went  
2 back where we set all our towns, maybe they  
3 wouldn't be in hazard zones and flood  
4 plains, they would be in places that made  
5 more sense. We would actually plan this  
6 stuff ahead so they would be resilient,  
7 sustainable yada-yada-yada.

8 MS. MCGINNIS: Commissioners, yes? No?  
9 Is that a recommendation that we want to  
10 incorporate or not?

11 MR. RECCHIA: That there be a  
12 comprehensive energy bill over there? I  
13 don't think that's a level of detail that we  
14 need to be --

15 CHAIRMAN EASTMAN: No. I think the  
16 issue comes up in our looking forward when  
17 we are saying we are suggesting that  
18 somebody needs to keep taking a look at this  
19 overall and how it fits together.

20 MS. McCARREN: If we have to tell them  
21 that, maybe we don't want them to be our  
22 representatives.

23 CHAIRMAN EASTMAN: Okay. So thank you.

24 MR. JOHNSON: Sure.

25 CHAIRMAN EASTMAN: So where does that

1 leave us?

2 MR. BODETT: You better go a little  
3 further away.

4 (Laughter.)

5 CHAIRMAN EASTMAN: Are we done with page  
6 five?

7 MR. JOHNSTONE: So my only comment on  
8 page five is I appreciate the note that  
9 Billy added and, you know, the kind of out  
10 clause and the questions that are footnoted,  
11 does it really need to be there. There is  
12 always in every place -- there is always the  
13 conditions can change and stuff is going to  
14 show up at the Board and in applications,  
15 and so I get why you wrote it. It's just  
16 does it really need to be here. I don't  
17 really -- it's not that important to me  
18 anyway.

19 CHAIRMAN EASTMAN: I don't mind leaving  
20 it.

21 MR. JOHNSTONE: Fine. Leave it then.  
22 That's okay.

23 CHAIRMAN EASTMAN: Let's just leave it.  
24 Okay. Anybody else on page five, or can we  
25 move to page six?

1 MS. MCGINNIS: I just need to know if  
2 the replace -- I think this was Tom's  
3 comment. I'm trying to remember. No, it  
4 was the RPCs', instead of the wording that  
5 says RPCs shall develop energy components of  
6 Regional Plans, to identify high potential,  
7 low potential areas. They said should we  
8 say replace with; shall develop energy  
9 generation siting guidelines, policies and  
10 land use suitability maps as part of the  
11 energy components of the Regional Plans.

12 CHAIRMAN EASTMAN: I like that better.

13 MR. BODETT: I do too.

14 MR. RECCHIA: Boy, I don't. Why would  
15 you go to energy specific -- energy  
16 generation siting specification?

17 MS. MCGINNIS: I'm just throwing out  
18 that that was --

19 MR. RECCHIA: I know. So this feels  
20 like it's going the wrong direction to me as  
21 opposed to going back to energy planning in  
22 general.

23 MS. MCCARREN: Where are you?

24 MS. MCGINNIS: Number two.

25 CHAIRMAN EASTMAN: Two and on the box of

1 the -- on the right there is an RPC  
2 suggestion to replace language shall develop  
3 energy generation siting guidelines.

4 MR. BODETT: I thought that was the  
5 point of what we were asking them to do is  
6 to tell the world where they want this stuff  
7 and where they don't.

8 MS. McCARREN: That's not in the  
9 statute, and it's not currently here.

10 CHAIRMAN EASTMAN: That's what they are  
11 trying -- they are proposing, and Chris is  
12 even proposing to make this work, there has  
13 to be some statutory changes relative to  
14 what the RPCs do.

15 MS. MCGINNIS: That's the second line.  
16 It may require amending statutes.

17 MR. RECCHIA: But in terms of that  
18 standard, I mean shall develop energy  
19 guidelines, policies and land use  
20 suitability maps.

21 MR. CAMPANY: It's what we do.

22 MR. RECCHIA: I'm really just suggesting  
23 that you take out energy generation siting,  
24 because I think that those -- that  
25 generation siting is a misnomer relative to

1 what they need to do in their plans.

2 CHAIRMAN EASTMAN: So you want to say  
3 replace with shall develop energy  
4 guidelines?

5 MR. RECCHIA: Yeah. Energy --

6 CHAIRMAN EASTMAN: Guidelines, policies  
7 and land use suitability maps.

8 MR. RECCHIA: -- guidelines, policies  
9 and land use suitability maps.

10 MR. BODETT: Well it seems like it would  
11 be included in land use suitability, I would  
12 assume.

13 CHAIRMAN EASTMAN: Yeah.

14 MR. BODETT: I'm good with that.

15 MR. RECCHIA: I really was just trying  
16 to broaden what they are looking at.

17 CHAIRMAN EASTMAN: I know.

18 MS. MCGINNIS: Energy guidelines,  
19 policies and land use suitability.

20 MS. McCARREN: Yeah.

21 CHAIRMAN EASTMAN: Yeah. And we know  
22 this is going to require some statutory  
23 change.

24 MR. RECCHIA: Perfect.

25 CHAIRMAN EASTMAN: Okay. Page six.

1 MS. McCARREN: Can I apologize, because  
2 I got a little lost. I know you're all  
3 going to say that's nothing new.

4 CHAIRMAN EASTMAN: I am going to say  
5 that, Louise, because all we are talking  
6 about now is what a Regional Plan would have  
7 to include. And it says may now, and we are  
8 talking about it shall or must.

9 MS. McCARREN: I thought you may have  
10 gone by something.

11 CHAIRMAN EASTMAN: What did you think I  
12 went by?

13 MS. MCGINNIS: Louise raised a question,  
14 I'll get it for you. She wondered why we  
15 would say by technology.

16 MS. McCARREN: Yes, thank you.

17 MR. RECCHIA: Me too actually.

18 MS. MCGINNIS: Number two, the  
19 recommendation; the first line, the last  
20 words are by technology. And Louise is  
21 wondering if that should be struck or kept.

22 CHAIRMAN EASTMAN: And actually don't we  
23 strike everything after the comma? I mean  
24 we get -- are we now going to keep saying to  
25 identify high potential, low potential areas

1 for electric siting?

2 MS. MCGINNIS: I thought we were still  
3 -- yeah.

4 CHAIRMAN EASTMAN: Take out by  
5 technology?

6 MR. RECCHIA: I would take out by  
7 technology. I think that we should leave a  
8 little more flexibility.

9 MR. JOHNSTONE: I agree.

10 CHAIRMAN EASTMAN: Okay.

11 MS. McCARREN: Technology, however no  
12 region can ban any specific technology  
13 outright. Is that what we are talking  
14 about?

15 MS. MCGINNIS: No.

16 MS. McCARREN: All right.

17 MS. MCGINNIS: Not yet.

18 MS. McCARREN: Okay. I'm with you  
19 everybody, and I agree.

20 CHAIRMAN EASTMAN: Okay. Page six. It  
21 was your idea.

22 MS. McCARREN: That was Sunday morning.  
23 It's now --

24 CHAIRMAN EASTMAN: I know. Okay. So  
25 comments on page six that have to be

1 addressed.

2 MR. JOHNSTONE: Anywhere on page six?

3 CHAIRMAN EASTMAN: Let's go  
4 recommendation two.

5 MR. JOHNSTONE: That's what I was  
6 asking.

7 CHAIRMAN EASTMAN: Let's finish  
8 recommendation two and see if any of these  
9 things that people are -- what else we need  
10 to do here.

11 MS. McCARREN: Okay. If I'm reading  
12 this right, page six, at the bottom, I don't  
13 want to get ahead of everybody else.

14 MR. RECCHIA: Yeah. Stay on number two.

15 MS. MCGINNIS: Stay on number two for  
16 now.

17 MS. McCARREN: That's fine.

18 CHAIRMAN EASTMAN: We are trying to get  
19 through two. Are we okay with what we are  
20 saying at two?

21 MS. MCGINNIS: Tom did raise the point,  
22 at least in my view I didn't get enough of  
23 an answer to be able to write something  
24 about it, what if there is a disagreement.

25 CHAIRMAN EASTMAN: Between Chris and the

1 region?

2 MR. RECCHIA: That's how I interpret  
3 Tom's question.

4 MS. MCGINNIS: How does RPC appeal the  
5 Department or Board determination of the  
6 plan.

7 MR. RECCHIA: I think I answered that.

8 CHAIRMAN EASTMAN: He answered that by  
9 saying that if -- if in the context of a  
10 case the public -- it will become an issue  
11 for the Public Service Board to decide,  
12 Chris will make his case, Chris will make  
13 his case, and --

14 MR. RECCHIA: And the new Chris on the  
15 Board will make the decision.

16 CHAIRMAN EASTMAN: And the new Chris  
17 will make the decision. If the Board  
18 determines that the Regional Plan is  
19 consistent with the CEP, then it will become  
20 dispositive. If the Board determines it is  
21 not consistent with the CEP, it will be  
22 given substantial consideration.

23 MR. RECCHIA: Perfect.

24 MS. MCGINNIS: Right. But I thought  
25 your question was also what if the Regional

1 Plan does not agree with the Board's  
2 decision, is there an appeal. Is that what  
3 you're asking?

4 MR. BODETT: Then I assume if the Board  
5 is going to be the thing, just the regular  
6 appeals process.

7 CHAIRMAN EASTMAN: There is an appeal to  
8 the Supreme Court.

9 MR. CAMPANY: I guess that's when we can  
10 start the baked good sale or something like  
11 that.

12 CHAIRMAN EASTMAN: Exactly.

13 MS. MARKOWITZ: And really down the  
14 line, if there is more consequence from the  
15 PSB approval like, for example, if grant  
16 money is tied to it or something, at that  
17 point you might consider having an appeal.  
18 But since the only consequence is in the  
19 context of a contested case before the  
20 Board, it makes sense to just incorporate  
21 that as part of the process.

22 CHAIRMAN EASTMAN: The other thing in  
23 here, I think the language which we have  
24 just said we are willing to take out, you  
25 know, by technology, we need to take it out

1 in the body here which addresses Gaye's  
2 issue.

3 MS. MCGINNIS: Sorry, tell me where.

4 MR. RECCHIA: Last paragraph.

5 CHAIRMAN EASTMAN: You say may differ  
6 significantly by technology, I don't know.  
7 It's just -- it's Gaye's issue which is she  
8 said she thought that people had to address  
9 the whole Comprehensive Energy Plan, but  
10 they could maybe not include something if  
11 they had done a good job on everything else.

12 MR. RECCHIA: This doesn't prohibit --

13 MS. MCGINNIS: That doesn't prohibit  
14 that.

15 MR. RECCHIA: By taking out by  
16 technology, we are not requiring that. It  
17 doesn't prohibit the towns or regions from  
18 addressing that in that context.

19 CHAIRMAN EASTMAN: You do say if certain  
20 towns or certain regions.

21 MS. MCCARREN: Are you on the paragraph  
22 that begins using many of the tools?

23 MR. JOHNSTONE: These high potential/low  
24 potential areas.

25 MS. MCCARREN: I've got you. Because

1 that's a paragraph I've noted, I'm not going  
2 to say any more, just note I don't agree  
3 with it. It's in the margin. I'm with you  
4 now. High potential, low potential.

5 CHAIRMAN EASTMAN: I guess I'm confused  
6 by this paragraph now because then it's the  
7 RPC will determine whether it's in  
8 conformance with the Regional Plan, so we  
9 are mixing apples and oranges here. This  
10 should be just about an RPC. So now we are  
11 throwing in municipal, and that's not what  
12 this recommendation is about.

13 MS. MCGINNIS: The problem is that the  
14 Regional Plans, and this is where I have  
15 difficulty deciding where it's going to go,  
16 Regional Plans are just a composite of Town  
17 Plans. And so if --

18 CHAIRMAN EASTMAN: No, they are not a  
19 composite. They are not a composite.

20 MS. MCGINNIS: But if there is a town --  
21 the problem is that this is about Regional  
22 Plans now. If there is a town that does not  
23 agree with the regional -- well there is two  
24 things. One is that we had said no region  
25 can say no. Right? So the question came up

1 in the last deliberations what if a town  
2 says I really don't want wind, the region  
3 can look at a way to incorporate that by  
4 saying figure out something else within the  
5 total regional plan.

6 CHAIRMAN EASTMAN: I agree. I think we  
7 need to have a paragraph here that's just  
8 about the Regional Plans and the regional  
9 planning process, and then we are going to  
10 have a similar paragraph where we get over  
11 to recommendation 50.

12 MR. JOHNSTONE: We are going to need to  
13 be redundant focused on first RPCs and then  
14 towns.

15 CHAIRMAN EASTMAN: That's all I'm saying  
16 it gets confusing, because we've just  
17 dropped in town where we have been talking  
18 about the relationship with regions and the  
19 state.

20 MS. McCARREN: So are we on the  
21 paragraph that begins --

22 MS. MCGINNIS: The final paragraph.

23 MS. McCARREN: Okay.

24 MS. MCGINNIS: I just take out town  
25 everywhere it says town?

1 MR. JOHNSTONE: Here and then add it in  
2 a different --

3 MS. McCARREN: If a town says no wind,  
4 does that create an affirmative obligation  
5 on the part of the town to do something  
6 else, and if it does, who decides?

7 CHAIRMAN EASTMAN: Can we wait? Because  
8 right now all we are trying to do is talk  
9 about regions. And when we get to  
10 recommendation five, then we can talk about  
11 what we want -- what are our expectations  
12 for the town.

13 MS. McCARREN: Just note I don't agree  
14 that paragraph.

15 CHAIRMAN EASTMAN: Do you agree with it  
16 relative to regions?

17 MS. McCARREN: No. I want to know this.  
18 If a region -- use region, were to say, we  
19 love to pick on wind so we will pick on  
20 wind, no wind, does that create an  
21 affirmative obligation to the region to do  
22 something else? And if it does, who decides  
23 whether they have done it?

24 CHAIRMAN EASTMAN: It creates a positive  
25 need for them to do something relative to

1 energy, not electric energy necessarily, but  
2 energy. Okay. That's what it does. If  
3 they wish to be dispositive. Because -- and  
4 it will go as we have said earlier, to the  
5 Department of Public Service to make a  
6 determination. If there is a difference  
7 between the region and the Department of  
8 Public Service on a case-by-case basis, it  
9 would be determined by the Public Service  
10 Board.

11 What we are trying to say here, I  
12 believe, is to give regions flexibility to  
13 be able to say no to some things, but yes to  
14 something else, whatever -- and it could be  
15 technically, right, there is theoretically  
16 the possibility it could say no to all  
17 electric generation if it were doing  
18 something else significantly to implement  
19 the Comprehensive Energy Plan.

20 MR. JOHNSTONE: And --

21 CHAIRMAN EASTMAN: -- goals.

22 MR. JOHNSTONE: And if the Public  
23 Service Department determined that that  
24 region is taking that position combined with  
25 all the positions of all of the other

1 regions, still kept the lights on.

2 CHAIRMAN EASTMAN: Yeah.

3 MR. JOHNSTONE: I didn't even mean to do  
4 that. Sorry about that.

5 MR. BODETT: I just used it.

6 (Laughter.)

7 MR. JOHNSTONE: Do you know what I mean  
8 though? It still has to -- somebody then  
9 has to determine that the lights stay on.  
10 We have heating, you know, we can move  
11 people, goods, ideas, thoughts, the energy  
12 we need gets -- that the combination of the  
13 RPC plans enables progress on the CEP both  
14 from the reliability and a changing -- the  
15 transition anticipated by the current CEP.

16 CHAIRMAN EASTMAN: So now I want to ask  
17 does that last sentence -- do we need that  
18 last sentence? I mean we don't need the  
19 sentence about RPCs will determine whether  
20 there is conformance with the Regional Plan  
21 because that's actually talking about Town  
22 Plans or municipal plans.

23 I want to know now do we need; however,  
24 no region can ban any specific technology  
25 outright.

1 MS. McCARREN: I thought we just said  
2 yes, you can, but you've got to do something  
3 else.

4 MR. JOHNSTONE: Right.

5 CHAIRMAN EASTMAN: So I don't think we  
6 need that sentence.

7 MR. JOHNSTONE: If anybody bans the  
8 technology and the Department determines  
9 that we can't meet our CEP goals without  
10 that technology then --

11 CHAIRMAN EASTMAN: Nobody is  
12 dispositive.

13 MR. JOHNSTONE: They are going to say  
14 they are all substantial and no one is  
15 dispositive, and everybody can go to the  
16 Board and fight it out.

17 MS. MARKOWITZ: And that meets Gaye's  
18 concern too.

19 MR. BODETT: Are there parallels now in  
20 state policy? Like what would keep -- who  
21 would make sure like a scenario like this  
22 didn't happen? So a region says we want no  
23 wind in our region, and they put it in their  
24 plan, but what we are going to do is we are  
25 going to have this big bond issue. We are

1 going to increase the energy efficiency of  
2 our entire region. We are going to take  
3 5,000 houses, and we are going to completely  
4 do it. And they take that before the Public  
5 Service Board, and they become dispositive,  
6 and they kill the project.

7 CHAIRMAN EASTMAN: Remember in the first  
8 instance, Chris is going to be looking at  
9 all the plans to determine if there is -- if  
10 the Regional Plans are consistent with the  
11 CEP. So in the first instance it might end  
12 up being consistent with the CEP.

13 MR. BODETT: Well say that is, but then  
14 what requires them to actually do what they  
15 said after they have killed the project?

16 CHAIRMAN EASTMAN: They are not killing  
17 --

18 MR. CAMPANY: We can't do anything.  
19 Sorry.

20 MS. MCGINNIS: It's true. If they say  
21 they are going to meet it by doing lots of  
22 efficiency work --

23 MR. BODETT: And they become  
24 dispositive, the project is not allowed, and  
25 then the town says we don't really have the

1 money to do that.

2 MR. RECCHIA: We were just kidding.

3 MR. BODETT: How do you keep that from  
4 happening?

5 MR. RECCHIA: I think this is a level of  
6 detail -- good question. I think we will  
7 find out.

8 My answer is these are the type of  
9 things that Kerrick was talking about that  
10 require just let's get started and see where  
11 the obstacles are and see what happens. I'm  
12 not particularly worried about that. I  
13 think it's a real issue that there is all  
14 sorts of ways that this can be contorted,  
15 but I'm keeping the open mind that people  
16 actually do want to do this stuff, and I'm  
17 continuing with that until proven otherwise.

18 CHAIRMAN EASTMAN: I have to say --  
19 right, if I were Chris, if it were something  
20 that were not -- that was not within their  
21 power to do, it doesn't work. You can't  
22 bond, can you?

23 MR. CAMPANY: Not yet.

24 CHAIRMAN EASTMAN: So if it's not within  
25 their power to do, then it doesn't work. If

1 you don't see a commitment in some, you  
2 know, follow through and some progression,  
3 then it doesn't get it.

4 MR. JOHNSTONE: But to put it a  
5 different way, if out of the Town Plans 80  
6 percent of the towns have an active PACE  
7 program, and they can demonstrate that they  
8 are going to save so many megawatts of  
9 electricity as a result of that, in home  
10 heating, and blah-blah-blah-blah-blah, that  
11 may rise to the level where he can say  
12 actually I can count on that savings now, in  
13 some rational way. Even that's fuzzy logic  
14 a bit, I know.

15 MR. CAMPANY: Or towns are going to have  
16 a municipal bond to develop incredible solar  
17 array, you know, yada-yada-yada, or district  
18 heating or, you know, there is -- that's the  
19 kind of stuff that wouldn't so much be us,  
20 it would be more about through this planning  
21 process what could we talk to the towns with  
22 about what would you like to see and what  
23 kind of collaboration might there be.

24 CHAIRMAN EASTMAN: So does that get us  
25 through two?

1 MR. JOHNSTONE: I think we have just  
2 decided to -- just to be clear, we don't  
3 need the last sentence.

4 CHAIRMAN EASTMAN: We don't need the  
5 last two sentences of that paragraph because  
6 the second to the last sentence refers to  
7 the RPCs doing something with the Town Plan.  
8 Okay? And we are going to put that in  
9 recommendation five. Whatever we decide we  
10 want to work out with the Town Plans.

11 MR. CAMPANY: Are you guys thinking only  
12 renewables?

13 CHAIRMAN EASTMAN: If you don't agree, I  
14 think now at this point --

15 MS. McCARREN: Too bad.

16 CHAIRMAN EASTMAN: No. You write it. I  
17 mean you write your disagreement. We have  
18 got one where you don't agree with the  
19 majority.

20 MS. McCARREN: That's fine. I agree  
21 with you.

22 MR. RECCHIA: I actually thought we were  
23 --

24 CHAIRMAN EASTMAN: You thought we were  
25 close.

1 MS. McCARREN: You know what we are  
2 recommending? We are recommending like a  
3 whole new structure of mandating towns to do  
4 things. I just want to make sure everybody  
5 is clear on that.

6 CHAIRMAN EASTMAN: No. We are not.

7 MS. McCARREN: Yeah you are.

8 MR. JOHNSTONE: You can say due  
9 consideration.

10 CHAIRMAN EASTMAN: We haven't gotten to  
11 towns anyway. But no, we are not  
12 recommending, so far, anything -- mandating  
13 towns do anything.

14 MS. MARKOWITZ: We are basically saying  
15 if you want to be dispositive, which you're  
16 not now, for the regions, you know, you go  
17 the --

18 CHAIRMAN EASTMAN: They don't have to do  
19 it. If they don't do anything --

20 MS. MARKOWITZ: Regions can simply opt  
21 out and many will.

22 MR. CAMPANY: Right.

23 CHAIRMAN EASTMAN: Three.

24 MR. JOHNSTONE: So I would just like to  
25 note that probably, and I'll stop like, I'll

1 use Louise's, I think -- I would like to  
2 know one more time, that I think we are  
3 missing a zero on what this costs.

4 MS. McCARREN: Yes, I agree.

5 MR. JOHNSTONE: And I just want to say  
6 that. I don't think the RPCs can do what we  
7 are talking about for this little money.  
8 And you know, maybe the answer is take the  
9 number out since we really don't know. But  
10 if we are realistic I want us to be  
11 realistic what it costs to do this sort of  
12 thing we are talking about. And if we are  
13 talking about engaging in scenario planning  
14 and consistent effort and guidance and  
15 policies, and across all energy sectors,  
16 this is not a de minimis effort. And 20,  
17 25, \$30,000 is a de minimis effort. And in  
18 my way of thinking, I just think we are  
19 missing it by a lot.

20 MS. MARKOWITZ: Scott, I took that  
21 seriously when you said it last time. I  
22 called a couple of RPCs buddies to say, hey,  
23 is 30,000? They said that's what we  
24 recommended.

25 MR. JOHNSTONE: And I think they are

1 wrong.

2 MS. MARKOWITZ: They may be wrong.

3 MR. RECCHIA: I'm meeting with Peter  
4 Gregory tomorrow to talk about how this --

5 MS. MARKOWITZ: Peter was one of the  
6 ones.

7 MR. JOHNSTONE: I don't think they  
8 understand the enormity of the process we  
9 are talking about here.

10 CHAIRMAN EASTMAN: I think what will be  
11 great. Chris is meeting with Peter  
12 tomorrow, to talk about in part probably  
13 what the process might be. And if we can  
14 get more -- and I believe we can go either  
15 way. We can be more specific up, or we can  
16 say RPC planning costs must be funded. And  
17 then it's -- the Department's got to figure  
18 out how to do this with the RPCs.

19 And again, for me -- for me it really  
20 will depend how much work is left at the  
21 state level to do things that then go out to  
22 the regions.

23 MR. CAMPANY: That's --

24 CHAIRMAN EASTMAN: Versus how much the  
25 regions have to do region by region.

1 MR. CAMPANY: -- key.

2 CHAIRMAN EASTMAN: And some of this  
3 initial scenario planning may actually be  
4 done more at the --

5 MR. RECCHIA: Yes. But recognize that  
6 it's not like, you know, we are super  
7 efficient and cheap and Chris is really  
8 expensive and time consuming. It costs --  
9 no matter where it's done, it's going to  
10 cost the same amount of money.

11 CHAIRMAN EASTMAN: I agree.

12 MR. RECCHIA: So I was hoping this  
13 recommendation -- so was it 11 regions?

14 MR. CAMPANY: 11.

15 MR. RECCHIA: So 300 to \$400,000 even  
16 under this.

17 MR. JOHNSTONE: I hear you.

18 MR. RECCHIA: I was hoping that the  
19 recommendation would be that the first and  
20 foremost priority of the legislature should  
21 be to fund the Regional Planning Commissions  
22 to do this work. I mean to me that would be  
23 like a nice way of saying stop everything  
24 else on all the other, whacky things you're  
25 doing up there on bills, and focus on what's

1 important which is if you want this problem  
2 to be solved fund the Regional Planning  
3 Commissions now.

4 MR. JOHNSTONE: Yup.

5 MR. RECCHIA: If it's three hundred  
6 thousand, that's a huge lift. If it's three  
7 million it's not going to happen. And so  
8 anyway, I'll leave it there.

9 MR. JOHNSTONE: I don't know the number.  
10 But I think you're right. And for me it  
11 gets back again to the notion of if we want  
12 them to be able to do the work right,  
13 because we are willing to go to dispositive,  
14 we have to fund it for them to do it right.  
15 If we are going to let them dabble and play  
16 at a superficial level, then substantial is  
17 the right test.

18 CHAIRMAN EASTMAN: Yeah. Chris, is your  
19 proposal that -- this Chris, you Chris. Is  
20 your proposal that it be general funds that  
21 covers this first however much?

22 MR. RECCHIA: I don't care.

23 CHAIRMAN EASTMAN: You just want them to  
24 authorize you to spend money on it.

25 MR. RECCHIA: I don't care was my answer

1 where the money comes from. I just think  
2 that the recommendation should be really  
3 strong that the very first thing they should  
4 do when they come back in January is deal  
5 with this piece of this. Rather than --

6 MS. MCGINNIS: Which is -- the reason  
7 this is the only thing in the whole thing  
8 has a price tag on it.

9 MR. RECCHIA: Right.

10 MS. MCGINNIS: And it's because if  
11 you're in the legislature, that's what you  
12 look at. You look at what you're going to  
13 spend. And I agree, Scott, that it may cost  
14 more, but I think if it's ever, ever going  
15 to be done, it has to be within reasonable  
16 amount that the legislature can consider.  
17 And it will at least get the process  
18 started. And once the process is started,  
19 it will need more than one year of work.

20 CHAIRMAN EASTMAN: Because can I ask  
21 you, Chris, I just want to clarify how the  
22 process currently works. Because I remember  
23 how it used to work.

24 Yes, I had federal money, right, Deb?  
25 And I had permit fees, but my whole budget

1 had to be approved by the legislature  
2 notwithstanding the source of funds.

3 MR. RECCHIA: That's correct.

4 CHAIRMAN EASTMAN: And so what you're  
5 really asking is not necessarily for general  
6 funds, but to have them specifically  
7 authorize you to fund this work.

8 MR. RECCHIA: No. A little more. I  
9 want it to come from -- it's got to be new  
10 funds from somewhere.

11 CHAIRMAN EASTMAN: But can it be new  
12 funds from within your program?

13 MR. RECCHIA: Sure. But the problem is,  
14 okay, so I'm going to use the S30 as the  
15 example.

16 CHAIRMAN EASTMAN: Thank you.

17 MR. RECCHIA: They are -- they were kind  
18 enough to put \$75,000 in there to do the  
19 studies they were requesting.

20 Appropriations said, yup, you can take that  
21 from your existing funds. So I ended up  
22 with no new money and a reassignment of work  
23 without them looking at the work to do that.

24 CHAIRMAN EASTMAN: I used to say this to  
25 environmentalists all the time, which I'm

1 sure Deb does. We were down trying to get  
2 our budget passed down in Environmental  
3 Committee, they were giving us more things  
4 to do, and yet I wasn't getting the money.  
5 So I always said to everybody, you better  
6 plan on the budget for a department or an  
7 agency or nothing will change and happen.  
8 So okay.

9 MR. RECCHIA: Okay. So the answer to  
10 your question is if they said, you know, we  
11 want you to take it from the gross receipts  
12 tax, that's fine. As long as there is money  
13 to do everything that we are supposed to be  
14 doing, and they adjust that. It doesn't  
15 have to be general funded. It needs to be  
16 funded.

17 CHAIRMAN EASTMAN: And --

18 MR. RECCHIA: And I think that's a level  
19 of specificity, by the way, that I would not  
20 suggest you say where you think it should  
21 be.

22 CHAIRMAN EASTMAN: That's what I want to  
23 say. Because for me I think it needs to be  
24 funded. I don't disagree with you. But I  
25 don't think we should be saying how it gets

1 funded. I think that's something for you to  
2 work out.

3 MR. RECCHIA: I agree.

4 CHAIRMAN EASTMAN: With -- and for me  
5 that's the way all these things that need to  
6 be funded ought to be you working out what  
7 source of funds do you think in your climate  
8 is most appropriate.

9 MR. RECCHIA: Right. But saying that  
10 the Department should be authorized to spend  
11 this money is inadequate in my mind.

12 CHAIRMAN EASTMAN: You've got to have  
13 it.

14 MR. RECCHIA: You need the money.

15 CHAIRMAN EASTMAN: So we need it in both  
16 places.

17 MS. MCGINNIS: Is there any way that  
18 this could be worded to make that even  
19 clearer? Right now we are going to say  
20 regional planning costs must be funded. And  
21 we may or may not have an estimate in there  
22 to be allocated by the Department in order  
23 for these recommendations to be effective.

24 Regular updates should be covered by an  
25 additional fee every year. Right? So I

1 won't say annual, but regular updates,  
2 because you'll need regular updates. And  
3 then all of the rest of it I eliminate and  
4 put in a separate recommendation to look at  
5 the variety of funding mechanisms that we  
6 are asking the Department to consider?

7 MR. RECCHIA: That's fine.

8 CHAIRMAN EASTMAN: A-hum.

9 MS. MCGINNIS: So this will be a short,  
10 simple recommendation saying this must be  
11 funded.

12 CHAIRMAN EASTMAN: Yeah.

13 MS. MCGINNIS: Okay.

14 CHAIRMAN EASTMAN: Okay. How does  
15 everybody feel about that?

16 MS. MCCARREN: I absolutely agree with  
17 Scott, we cannot sign things without  
18 funding.

19 CHAIRMAN EASTMAN: We are all agreed  
20 with that. Okay. Four.

21 MR. JOHNSTONE: Which one was that?

22 MS. MARKOWITZ: Automatic party status.

23 CHAIRMAN EASTMAN: Do you have automatic  
24 party status now?

25 MR. CAMPANY: No.

1 MS. MARKOWITZ: That's a simple one.  
2 This is where dispositive language is.

3 MR. JOHNSTONE: So have we -- I'm sorry  
4 if I missed it. Are we going to add a  
5 footnote for a substantial consideration and  
6 all these terms? Are we going to refer to  
7 Black's dictionary? I think it's important  
8 that we at least provide a nod that -- of  
9 what we mean with these terms. But I don't  
10 think we need to add paragraphs. I would  
11 suggest a footnote, and if it's out of  
12 Black's --

13 CHAIRMAN EASTMAN: I think Black's is  
14 fine.

15 MR. JOHNSTONE: Go to Black's.

16 CHAIRMAN EASTMAN: That's where  
17 everybody ought to be going, and due and  
18 consistent.

19 MR. RECCHIA: Substantial and due.

20 CHAIRMAN EASTMAN: And due and  
21 consistent.

22 MR. JOHNSTONE: I just think it's  
23 important that we nod what these terms mean  
24 to us, and legislature may change that.  
25 It's up to them.

1 MS. MCGINNIS: I had in parenthesis and  
2 I can take that out, what it means is  
3 greater weight than what is currently  
4 applied under Section 248.

5 MR. JOHNSTONE: That's not the  
6 definition.

7 MS. MCGINNIS: I'm happy to make a  
8 specific Black's definition.

9 CHAIRMAN EASTMAN: Keep that there and  
10 then say see Black's for definitions.

11 MS. MARKOWITZ: Or do it in a footnote,  
12 either way.

13 MS. MCGINNIS: The other question I had  
14 in this one in writing it up, I worded it  
15 this way, but I'm not sure if this is what  
16 you meant. The regional -- the RPCs shall  
17 have automatic formal party status. This is  
18 very generic. Once the energy components of  
19 the Regional Plans have been completed.  
20 That's just to assure they actually have an  
21 energy plan. It isn't approved by anyone,  
22 it's just there.

23 I just wanted to make sure they had some  
24 kind of energy component in there which they  
25 probably all do.

1 MR. CAMPANY: By statute we have to.  
2 Yeah.

3 MS. MCGINNIS: Does that need to be  
4 there?

5 MR. CAMPANY: For people to understand,  
6 it might be good just for --

7 MS. MCGINNIS: For clarity.

8 MR. CAMPANY: Yeah.

9 MS. MCGINNIS: And their plan shall be  
10 given substantial consideration, meaning  
11 that they really don't have to do anything  
12 right now to get substantial consideration.

13 MR. RECCHIA: Correct.

14 MS. MCGINNIS: I just wanted to make  
15 sure I understood that right.

16 MR. JOHNSTONE: Then you would change  
17 the second paragraph because we have now  
18 said that that's -- PSD determines  
19 consistency; right?

20 CHAIRMAN EASTMAN: And actually maybe  
21 this is where Chris is going to be giving  
22 some language to Linda about how he thinks  
23 this process works.

24 MS. MCGINNIS: The recommendation  
25 doesn't change.

1 MR. RECCHIA: No, the recommendation  
2 does not change.

3 MR. JOHNSTONE: It's not PSB any more.

4 MS. MCGINNIS: PSD determines that their  
5 plans are consistent with the state energy  
6 plan and statutory targets, and they shall  
7 be dispositive at that point. Right?

8 MR. JOHNSTONE: Yeah.

9 MR. BODETT: Does it go without saying  
10 we are talking about formal party status in  
11 the Act 248 process, and we don't need to  
12 keep restating that.

13 MS. MARKOWITZ: That's right.

14 MR. BODETT: Just assume.

15 CHAIRMAN EASTMAN: So some of this  
16 language is going to change now about the  
17 status of it, because we go on to the top of  
18 page seven, the PSD is a party to the  
19 process, some of that language changes,  
20 Linda.

21 MR. RECCHIA: Yeah.

22 CHAIRMAN EASTMAN: Which Chris is going  
23 to --

24 MR. RECCHIA: I will give you.

25 MS. MCGINNIS: Okay.

1           CHAIRMAN EASTMAN:  So are we -- so  
2           that's four.  Okay.  And now it's noon.  And  
3           we get to municipal plans.  So should we  
4           take a break now?  No, we should do  
5           municipal plans.

6           MS. MCGINNIS:  It all is so tied  
7           together, I really feel like we need to push  
8           through on this.

9           CHAIRMAN EASTMAN:  Let's do municipal  
10          plans.

11          MR. JOHNSTONE:  Sure.

12          CHAIRMAN EASTMAN:  So what are we  
13          saying?  Municipal -- what is the --

14          MR. RECCHIA:  Plans.

15          CHAIRMAN EASTMAN:  Municipal plans, not  
16          municipal energy but municipal plans.

17          MS. McCARREN:  You're going to take out  
18          energy siting.

19          MR. RECCHIA:  Right.

20          MS. McCARREN:  Okay.

21          CHAIRMAN EASTMAN:  Municipal plans found  
22          to be in conformance with the regional plan.

23          MS. MARKOWITZ:  With the energy  
24          component of the Regional Plan.

25          MR. RECCHIA:  Before we wordsmith, let

1 me back up and say aren't we agreeing that  
2 municipal plans get substantial  
3 consideration no matter what?

4 MR. JOHNSTONE: No. That's not what we  
5 said.

6 MS. MARKOWITZ: Only if they conform  
7 with the Regional Plan.

8 MR. JOHNSTONE: If they are not duly  
9 adopted and in conformance, they keep due.

10 MR. RECCHIA: Because I don't think the  
11 energy -- I don't think you have to be this  
12 specific. Municipal plans found to be in  
13 conformance with the Regional Plans.

14 CHAIRMAN EASTMAN: Shall be given  
15 substantial consideration by the PSB.

16 MS. MCGINNIS: So I'm taking out "with  
17 the energy component of."

18 CHAIRMAN EASTMAN: Right, found to be in  
19 conformance with the Regional Plan.

20 MR. JOHNSTONE: And the second word in  
21 the sentence.

22 MS. MCGINNIS: Right. Municipal plans  
23 found to be in conformance with the Regional  
24 Plans shall be given substantial  
25 consideration by the PSB.

1 MS. MARKOWITZ: Yes.

2 CHAIRMAN EASTMAN: And I sort of think  
3 it's found to be in conformance with its  
4 Regional Plan. A Municipal Plan is found in  
5 conformance with a single Regional Plan.

6 MR. JOHNSTONE: I agree.

7 MS. McCARREN: Do you think, just as an  
8 editing issue only, that last sentence  
9 should be deleted?

10 MR. JOHNSTONE: Which paragraph? I'm  
11 sorry.

12 MS. McCARREN: I'm sorry. It's number  
13 five.

14 MR. JOHNSTONE: First paragraph or  
15 second paragraph?

16 MS. McCARREN: First paragraph.

17 MR. JOHNSTONE: Thank you.

18 MS. McCARREN: It's an editing question.

19 CHAIRMAN EASTMAN: Yeah. I think so. I  
20 think we should put that into the tier  
21 issues if we want it not in here.

22 MR. JOHNSTONE: That's fine.

23 MS. MARKOWITZ: Okay.

24 MS. McCARREN: Straight editing.

25 MR. JOHNSTONE: As long as it goes

1                    somewhere, that's fine.

2                    CHAIRMAN EASTMAN: We want to be clear  
3 what are we doing for municipal plans.

4                    MR. CAMPANY: Can I ask an  
5 overarching question? When we are talking  
6 about energy planning, the energy planning  
7 can take into account energy generation that  
8 already is in existence or has already been  
9 permitted and approved; right?

10                   MS. MARKOWITZ: Yeah, yeah.

11                   MR. RECCHIA: Yes.

12                   MS. MCGINNIS: Does that need to be  
13 stated anywhere or is that assumed?

14                   MR. RECCHIA: I don't think so.

15                   CHAIRMAN EASTMAN: I don't think it  
16 needs to be stated.

17                   MR. RECCHIA: I think you would assume  
18 as-built conditions to apply in all your  
19 planning.

20                   CHAIRMAN EASTMAN: Now see I think that  
21 the second paragraph is too much  
22 specificity. In order to assist towns in  
23 developing valid municipal plans, see we are  
24 not asking for municipal siting policy.

25                   MR. RECCHIA: I don't think we need any

1 of that.

2 MR. JOHNSTONE: I don't think that first  
3 sentence needs to be there. It's beyond the  
4 test we set. We said they have to work  
5 through the regions, and if they get that  
6 sign off, then they rise to substantial. So  
7 I don't think we need to tell the regions  
8 how to do that.

9 CHAIRMAN EASTMAN: Yeah.

10 MS. MCGINNIS: I think some of the  
11 towns, and this included some of the things  
12 that came from Waterbury and elsewhere, are  
13 hoping to have a little bit of help of  
14 understanding what it means to include  
15 energy in their Town Plans. They want some  
16 guidance. They want some --

17 MR. CAMPANY: Can we use a real world  
18 example? So Windham -- so your husband is  
19 on the Planning Commission?

20 MS. MOREY: He's on the Planning  
21 Commission.

22 MR. CAMPANY: We are currently assisting  
23 Windham with the update of their town --  
24 their Municipal Plan per -- they are coming  
25 up on five years -- so the question that she

1 asked me was, should we be looking at based  
2 on the considerations that are coming out of  
3 there, then what kind of energy generation  
4 would we support? I guess on a more  
5 commercial basis. In their case logically  
6 it would be solar.

7 So one of the things that we will be  
8 working with them on is what would be their  
9 solar, potentially their solar energy siting  
10 policy. Is that the kind of --

11 MS. MOREY: Like the PACE program too.  
12 Those type of things.

13 CHAIRMAN EASTMAN: That's why I think  
14 that will come out as you plan, so I don't  
15 think we want to be -- we don't want to  
16 limit any of the possibilities.

17 MR. CAMPANY: That's the way the  
18 conversation starts. They come to the RPC  
19 and they say, how can you help us augment  
20 our energy policy to comport with the  
21 recommendation, and so then we have the --

22 CHAIRMAN EASTMAN: So I don't think we  
23 need --

24 MR. JOHNSTONE: We are trying to be  
25 helpful. If we want to leave it in to be

1 helpful, maybe instead of valid it's model,  
2 it should be model. RPC often and states  
3 often provide model language that helps to  
4 guide and frame, and that would be helpful  
5 to towns. And towns sometimes use it and  
6 sometimes think it's too generic and vague  
7 and templatie, but maybe something like that  
8 is more helpful.

9 MR. RECCHIA: My concern with the  
10 sentence is somewhat different. Section 248  
11 should include the guidelines is not correct  
12 in my mind now. Maybe when PSB was deciding  
13 these on a case-by-case basis that's  
14 probably why it was there. But I don't  
15 think that second sentence --

16 CHAIRMAN EASTMAN: I think this is still  
17 -- still in Title 24. Do you think -- I  
18 don't think there needs to be any changes to  
19 Title 24 relative to municipal plans.

20 MR. CAMPANY: No.

21 MS. MCGINNIS: How about the PSB can  
22 include on their Web site models for  
23 something along those lines, because  
24 basically what it is is just help to towns  
25 that genuinely want to proactively do

1 something, and I think there are other towns  
2 that have moved pretty far ahead, like  
3 Waterbury, who would be happy to help  
4 others, but it's providing guidance.

5 MS. MARKOWITZ: It's good, it's not a  
6 must or have. If we were to just skip down  
7 to technical assistance in developing and  
8 revising such policies and plans should be  
9 made available to municipalities. It's just  
10 we are not saying how, we are not getting  
11 into the weeds. I think it's appropriate.

12 CHAIRMAN EASTMAN: Yeah. And some of  
13 it's going to come from the Department, some  
14 of it's going to come from the regions, some  
15 of it may come from ANR.

16 MS. MARKOWITZ: We can figure it all  
17 out.

18 MS. MCGINNIS: So not have anything  
19 except the last line.

20 MS. MARKOWITZ: That's what I would  
21 suggest. The first and the last.

22 MS. MCGINNIS: And taking out Section  
23 248. Just say the PSB --

24 MS. MARKOWITZ: Currently the PSB gives  
25 due consideration.

1 MS. MCGINNIS: Web site.

2 MS. MARKOWITZ: Currently the PSB gives  
3 due consideration to Town Plans. This would  
4 continue to apply to municipalities that are  
5 not in conformance with the Regional Plan.

6 And maybe we want to have a sentence  
7 that says something about how we should sort  
8 of restate what that -- the bold underline  
9 is -- but in a more explicit manner saying  
10 that, you know, a Municipal Plan that has  
11 been submitted to the region and found in  
12 conformance --

13 CHAIRMAN EASTMAN: We will just give the  
14 statutory cite.

15 MS. MARKOWITZ: The Regional Plan with  
16 the statutory cite of where that happens,  
17 shall be, so it's a more robust description  
18 of that. And then the currently, and then  
19 technical assistance should be made  
20 available.

21 MS. MCGINNIS: Okay. I'm not getting  
22 that.

23 MS. MCCARREN: The second paragraph are  
24 we leaving in valid municipal siting policy?

25 MS. MARKOWITZ: No.

1 MS. McCARREN: Okay great. That whole  
2 piece came out.

3 CHAIRMAN EASTMAN: We are trying to get  
4 --

5 MS. MARKOWITZ: That sentence and then  
6 making that a more robust first sentence  
7 describing it a little bit more.

8 MS. McCARREN: All coming out. That's  
9 good. Thank you.

10 MR. BODETT: What's all coming out? The  
11 whole second paragraph is coming out?

12 MS. MARKOWITZ: Except for the last  
13 sentence.

14 MR. BODETT: That's the sentence that  
15 both I and Jim Sullivan had an issue with,  
16 tying the -- accommodating the energy supply  
17 needs associated with the communities' long-  
18 range development -- we are losing that.

19 MS. MARKOWITZ: We are losing that.  
20 It's just the technical assistance.

21 MR. BODETT: Okay.

22 MS. MCGINNIS: So that whole second  
23 paragraph is gone.

24 MS. MARKOWITZ: Except the last  
25 sentence.

1 MR. JOHNSTONE: Hang on a second. I  
2 thought earlier we heard we need some  
3 amendment to statute.

4 MS. MARKOWITZ: You don't have to go  
5 into the detail of it.

6 CHAIRMAN EASTMAN: Do we need amendment  
7 to statute? This is what I'm looking at.

8 MR. BODETT: Jim made a recommendation.

9 MR. RECCHIA: You will need that. You  
10 will need some amendment to statute.

11 MR. JOHNSTONE: Even if we don't want to  
12 say which ones, we may need to highlight  
13 that here. This would be the appropriate  
14 place to highlight that; right?

15 MS. MARKOWITZ: So we could just at the  
16 end of that first -- the new first sentence,  
17 more robust sentence, say this may require  
18 an amendment to statute.

19 MR. JOHNSTONE: Just want to make sure  
20 they can get that.

21 MS. MARKOWITZ: Then we say currently  
22 the PSB gives due consideration.

23 MR. CAMPANY: If I could, just where  
24 there is -- one of the things that creates  
25 confusion among towns is what statute says

1 about what bylaws can say about energy  
2 generation versus what it doesn't say about  
3 Town Plans. Because clearly I mean when you  
4 talk to the Public Service Board they  
5 explicitly say we do not consider town  
6 bylaws, we consider Town Plans. And that's  
7 something that maybe we could take up if and  
8 when this goes to deliberation at the --  
9 before the legislature. But you may want to  
10 have a sentence there that the current  
11 statutory language concerning bylaw  
12 regulation, municipal bylaw regulation of  
13 energy, creates confusion about what  
14 standing plans have versus what standing  
15 bylaws have. And they might want to gain  
16 some greater clarity.

17 MR. RECCHIA: So in my -- when I was  
18 collecting all those student loans, I  
19 learned that a comprehensive plan, Municipal  
20 Plan, was the Town Plan and the bylaws  
21 combined.

22 MS. MARKOWITZ: No, that's not true.

23 MR. RECCHIA: Okay. Obviously I have to  
24 go back and --

25 MR. BODETT: Get some of your money

1 back.

2 CHAIRMAN EASTMAN: Here's where I am,  
3 and I don't have time between now and April  
4 30 to go beyond this. I am with -- I am  
5 with this language relative to Town Plans.  
6 I'm not going to bylaws. Nobody is going to  
7 bylaws currently, and I think that's where  
8 you really get into, are you going to let,  
9 you know, are you going to let the community  
10 site, you know, do the site-specific stuff.

11 MS. MARKOWITZ: That's a legislative  
12 issue that's going to be -- that would just  
13 be insane.

14 CHAIRMAN EASTMAN: I just looked. It's

15 --

16 MR. CAMPANY: It's a mess. That's where  
17 it causes a lot of confusion. You even  
18 brought it over.

19 MS. GRACE: Right.

20 MS. MCGINNIS: I'm going to summarize  
21 what I've heard. Municipal plans found to  
22 be in conformance with their Regional Plan  
23 shall be given substantial consideration by  
24 the PSB. This may require amendments to  
25 statutes, X, Y and Z. Currently Section 248

1 requires that the PSB gives due  
2 consideration to Town Plans, municipal  
3 plans. This would continue to apply to  
4 municipalities that are not in conformance  
5 with Regional Plans. Technical assistance  
6 in developing and revising such policies and  
7 plans should be made available to  
8 municipalities.

9 MS. MARKOWITZ: I think everything is  
10 good except I think we decided to take out  
11 Section 248 requires that. And instead say  
12 currently the PSB gives due consideration to  
13 municipal plans.

14 CHAIRMAN EASTMAN: But it is -- Section  
15 248 requires it.

16 MS. MARKOWITZ: It is. But I had heard  
17 this discussion, and it seemed irrelevant to  
18 me either way.

19 MS. MCGINNIS: That was in a previous  
20 one.

21 MS. FRIED: Weren't you going to put in  
22 a more expansive sentence under that first  
23 sentence to explain?

24 MS. MARKOWITZ: We were, and in  
25 rehearing it, it sounds fine to me.

1 CHAIRMAN EASTMAN: We already will have  
2 defined substantial. We can put another  
3 substantial consideration, see Black's Law  
4 definition.

5 MS. MARKOWITZ: I think it's okay.

6 CHAIRMAN EASTMAN: This will require  
7 statutory change because right now the  
8 statutes say due. It's got to go to  
9 substantial. You've got to have statutory  
10 change.

11 MS. MARKOWITZ: Yeah.

12 MS. MCGINNIS: So I do refer to  
13 substantial consideration again?

14 CHAIRMAN EASTMAN: No.

15 MS. MARKOWITZ: What you did is perfect  
16 and just stay --

17 MS. MCGINNIS: So I'm cutting out a  
18 bunch of stuff in the middle.

19 CHAIRMAN EASTMAN: Okay.

20 MS. MCCARREN: And we have taken out  
21 that second paragraph.

22 MS. MCGINNIS: Everything except the  
23 last line on technical assistance.

24 MS. MCCARREN: That's fine. I'm good.

25 CHAIRMAN EASTMAN: Lunch.

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MR. JOHNSTONE: When do you want us  
back?

CHAIRMAN EASTMAN: 1 o'clock.

(Recess was taken.)

C E R T I F I C A T E

1  
2  
3 I, Kim U. Sears, do hereby certify that I  
4 recorded by stenographic means the Hearing re: Energy  
5 Generation Siting Policy Commission Deliberative Session  
6 #9, at the Giga Room, People's Bank Building, 112 State  
7 Street, Montpelier, Vermont, on April 16, 2013, beginning  
8 at 9 a.m. (Volume I)

9 I further certify that the foregoing  
10 testimony was taken by me stenographically and thereafter  
11 reduced to typewriting and the foregoing 191 pages are a  
12 transcript of the stenograph notes taken by me of the  
13 evidence and the proceedings to the best of my ability.

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

17 Dated at Williston, Vermont, this 19th day  
18 of April, 2013.

19 \_\_\_\_\_  
20 Kim U. Sears, RPR  
21  
22  
23  
24  
25