1 2 2	CHITTENDEN COUNTY REGIONAL PLANNING COMMISSION ENERGY SUB-COMMITTEE - MINUTES			
3 4 DATE: Thurs			Thursday, May 25, 2023	
5	TI	TIME: 6:00 p.m. to 8:00 p.m.		
6 7	PL	PLACE: Virtual Meeting via Zoom with link as published on the agenda		
		Members Present:		Staff:
	Keith Epstein, South Bu		ein, South Burlington	Melanie Needle, Senior Planner
	Daniel Parkins, Essex			Darren Schibler, Senior Planner
		Dwight DeCoster, Underhill		
		Jeff Forwa	rd, Richmond	
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9 10	1.	Welcome	:	
10 11 12	D. Parkins called the meeting to order at <b>6:04 PM</b> and welcomed everybody.		:04 PM and welcomed everybody.	
12 13 14	2.	. Approve April 18, 2023 Minutes		
15			Decoster to approve the April 18, 2023 minutes with the	
16		-	ns noted. All in favor.	
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18	3.	. ECOS Plan Energy, Water Quality, and Habitat Strategies / Actions / Maps		
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20		M. Needl	e walked the Subcommittee throu	igh the portions of the draft ECOS Plan that include
21				the strategies serve as a roadmap for how we work with
22		our partne		

Strategy 2, which sets a goal of locating 90% of new development in areas planned for growth (15% of our land area) will reduce energy use for transportation and support more efficient buildings. M.
Needle reviewed the map of the areas planned for growth, which include the Center, Metro,
Suburban, and Village land use areas (everywhere that is not a Rural area).

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29 K. Epstein asked what the policy significance of the new Transit Oriented Development (TOD) 30 Overlay District is. M. Needle noted that this was included in the Metropolitan Transit Plan as a way 31 to encourage denser development, particularly housing, around existing transit routes to make them 32 more efficient. J. Forward asked if this includes current GMT routes or future ones as well: M. 33 Needle clarified that it is only current routes but the TOD district includes a <sup>1</sup>/<sub>2</sub> mile buffer around the 34 routes. Forward hoped that discussions about increasing service between Williston and Waterbury. M. Needle clarified that extending the TOD along Route 2 was discussed with the PAC and LRPC, but 35 that doing so would encourage more development in rural areas than was intended. D. Schibler 36 clarified that this is because the TOD Overlay district promotes higher density than the base planning 37 38 area, which makes it more context-sensitive and less prescriptive in terms of density, K. Epstein 39 appreciated that the plan identifies the amount of land area planned for growth, and suggested that 40 this be shown for the TOD area as well, and that it may increase over time. 41

D. Parkins asked if there was consideration of how this affects the rural planning areas and their
 ability to foster economic prosperity, or is the entire region dependent on the Center areas. M. Needle
 responded that development is still allowed in the Rural planning areas, but at the scale appropriate
 for the context.

K. Epstein suggested that Strategy 2, Action 1-a be written to say that bike / ped infrastructure is
 prioritized, not just included. For Action 1-b, he suggested that redevelopment be prioritized to

minimize greenfield development, which generated discussion of whether this would discourage
 development in smaller villages, particularly for brownfields sites. For Action 1-d, Epstein suggested
 that the term "design quality" be less vague.

5 Strategy 4 – Climate / Energy

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M. Needle described Strategy 4 as the bulk of the energy strategies and actions. K. Epstein asked
generally if the actions on the list determine what staff are allowed to work on; M. Needle clarified
that there is some flexibility in this regard, but it provides a general framework.

- Subcommittee comments included the following:
  - Action a-v, J. Forward noted that getting municipalities to adopt stretch code has been a challenge, and that Richmond's planner stated that this can't be done through zoning because it cannot regulate the interior of buildings. M. Needle agreed that zoning generally regulates the use of land and exteriors of buildings, but in Vermont not every municipality has building codes, so this falls to the state. Under the Act 174 guidance from the Public Service Department, municipalities do have authority to adopt the stretch code in their zoning, but the bigger challenge is enforcement, which is currently a self-certification process (this is how the state code works anyway). J. Forward will continue encouraging Richmond to require stretch code for new development; K. Epstein noted that it may be useful to get the Planning Commission, Selectboard, and other decision makers in the same room for a presentation by building energy experts, which was effective for South Burlington. J. Forward noted that the Vermont Department of Public Service (PSD) has operated on the model of having two versions of the code, and that they should be consulted on the recommendation to use a single code.
    - K. Epstein noted that Actions vi and xi are very similar and potentially could be consolidated. M. Needle responded that these are separate because there are different funding sources for planning vs. implementation, but that they could be grouped.
    - K. Epstein also noted that item x is very broad and that other actions could be grouped under here. He also suggested adding an action to review municipal plans and zoning regulations to identify and share best practices. M. Needle and D. Schibler strongly agreed and noted that the EPA Climate Pollution Reduction Grant will provide funding for RPCs to do this work to ensure compatibility with the state's climate action plan and eligibility for federal climate resilience implementation funding.
      - M. Needle noted that staff have added an action to advocate for the Public Utilities Commission to change the sound rule as requested by the Energy Subcommittee, which members agreed was suitable.
      - D. Parkins suggested that the actions in Strategies 4, 6, and 7 be organized more clearly and follow the structure used in Strategy 2. M. Needle agreed and noted that this might be leftover from when Strategy 4 was included as a sub-group in the land use strategies.
- 42 <u>Constraint and Site Suitability Policies</u>

M. Needle provided context for what constraints are included, that they are tied to the maps, and how they are used in the review of Section 248 petitions for Certificates of Public Good (CPGs). She noted that this section generally doesn't refer to primary vs. base solar and wind areas identified in the mapping exercise, but that those resource areas are determined by the constraint policies which were developed initially in 2016.

- 49 Subcommittee member comments included the following:
  - K. Epstein asked to clarify that the units in action b are annual MWh.

- J. Forward asked for clarification that under Item iv, ground-mounted solar larger than 15 kW are discouraged in designated centers? M. Needle said this is correct because these areas are prioritized for other types of development, rather than large ground-mounted solar installations. J. Forward noted that this may exclude parking lots within developed areas, and that a 15 kW system is actually quite small, which can contribute to the cost of renewable energy development. D. Schibler suggested clarifying that this policy does not apply to preferred sites, which includes parking lots.
- 8 J. Forward also asked why solar is discouraged on historic buildings (except perhaps on slate • 9 roofs). D. Schibler clarified that this may be due to the historic preservation standards used by 10 the Secretary of the Interior which would find that solar panels, like other modern materials, 11 disrupt the historic character of buildings. J. Forward suggested that this action be modified 12 to apply only to buildings listed on the state or national register, rather than historic districts. D. Schibler noted that another option, depending on the circumstances, is to have historic 13 14 buildings use renewable energy generated through ground-mounted or off-site facilities 15 through power purchase agreements.
  - K. Epstein suggested that action v be reworded to make it more readable by starting with "To mitigate load growth..." M. Needle agreed this was a good change and clarified that this policy was revised to ensure that it applied equally to all types of development.

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Strategies 6 and 7 – Water Quality and Working Lands / Habitats

M. Needle noted that these strategies are included because they contain the constraints policies that protect certain natural features and apply to all development, including renewable energy resources.

D. Parkins asked if the areas preferred for generation could be identified on a map so that it is more clear where there are no constraints. D. Schibler and M. Needle agreed that the visuals of the map could be improved in the next iteration. D. Parkins also suggested providing an online public map viewer. D. Parkins noted that the point symbology of the preferred site map are not legible. M.Needle said that could be fixed easily.

## 30 4. LEAP Data Targets

Darren reviewed the LEAP prepared by the Vermont Department of Public Service to set greenhouse gas (GHG) emissions reductions targets and energy use by sector to meet the standards in Act 174. The tables are organized by site-based sectors (residential, commercial, and industrial) and the transportation sector. The baseline scenario is business as usual if we are going to keep doing what we are doing today. The second scenario is the Climate Action Plan scenario needed to meet targets.

37 For the residential sector, CCRPC staff are waiting for confirmation from PSD that charging for 38 transportation is not included. The residential sector appears to be heating and electrical appliance 39 use. J. Forward noted that in 2-B there are 3X as many heat pumps but the electricity usage doesn't go 40 up as much as much, so it's unclear if thermal is included in the residential final energy demand. D. 41 Schibler agreed that this is confusing, and staff have asked PSD for clarification, but that this might 42 be due to the expected gains in energy efficiency. Keith offered that you can do a rough order of 43 magnitude calculation to see how other fuels go down and electricity should go up by that much. D. 44 Schibler noted that in Table 1-B and Table 2-B the percent of different heat pumps stay consistent 45 across the board and over time. It is unclear whether 1-C is a subset of the tables above.

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Use of wood fuel does go down over time in both scenarios. Staff believe this is because of a state
policy to maintain carbon sequestration. The takeaway is that residential sector energy demand will
go down because of efficiency but we will see the shift to electricity. Forward is surprised that wood

50 went down, especially pellets dramatically changing. Darren offered that the decrease could be

51 assumptions about building efficiencies.

1 2 J. Forward asked, "What is biogas?" D. Schibler assumed that it is landfill gas but will ask PSD. 3 4 D. Schibler noted that there is not a thermal sector break out for commercial final energy demand. 5 Staff is curious about the meaning of the fuel sources noted as "solar" and "heat." Regardless, the 6 projections for the commercial sector are similar to residential. 7 8 J. Forward asked about residual fuel oil (also known as No. 6 oil), who is using it in Chittenden 9 County, and recommended that it be phased out in the projections for all sectors. D. Schibler and M. 10 Needle speculated that since the projections use Energy Information Administration data for the entire Northeast region disaggregated to the state and county level, a few users of residual fuel oil from 11 elsewhere may be represented in the data. J. Forward speculated that residual fuel oil could be being 12 13 used in the NEK in a large boiler. 14 15 K. Epstein asked why gasoline is in the commercial sector (staff have asked this of PSD) and added that wood increasing. J. Forward mentioned that the wood fuel could be being utilized in schools. J. 16 17 Forward wanted to know if district heat energy is included and added that BHS renovations are 18 removing the wood chip boiler and going with geothermal. 19 20 D. Schibler noted that the industrial sector has the least amount of detail because of the least amount 21 of data. There is not a lot of difference between the two scenarios because industrial uses are so 22 specific with some fuels being replaced with electricity where appropriate. J. Forward had the same 23 question about residual fuel oil and road oil. D. Schibler answered that he thought some public works 24 garages use residual fuel. Same question about gasoline. 25 26 D. Schibler discussed that in the non-road sector the shift is to biodiesel and that there are some 27 increases in sustainable aviation fuel. Keith added that the CAP scenario is higher than the base 28 scenario and that seems unusual. Darren guessed that we could be seeing an increase because the 29 LEAP data accounts for population and economic growth, but that there are no state or regional 30 policies regarding the non-road sector. 31 32 D. Schibler noted that across the transportation sector, there is a nearly complete shift away from 33 fossil fuels and towards electric, including for heavier-duty vehicles. He also noted that for passenger 34 cars, the CAP scenario assumes a greater shift towards battery-only electric vehicles rather than plug-35 in hybrids. D. Parkins asked whether hydrogen fuel cell vehicles are included in the modeling. D. Schibler said this was not included, probably due to the lack of availability of those types of cars in 36 37 the United States. However, future modeling may capture new technologies. 38 39 D. Parkins asked whether the influence of factors outside the state (such as vehicles driving in from 40 other states) are accounted in the LEAP data. Staff will ask if the PSD considered this. 41 42 J. Forward noted that in non-road fuels there is no mitigation on gasoline, and advocated for a policy 43 to move this sector towards electricity especially for mowers, since it can improve air quality and 44 health as well as reduce greenhouse gas emissions. 45 46 5. Brief Discussion on Net Metering Rule Project Size, In-State vs. Out-of-State Renewable 47 **Electricity Dollars, and Barriers to Wind Development** 48 49 Net Metering Rule Project Size

J. Forward disagreed with the assessment that net metered solar is too expensive; this may be true
 solely when utilities consider their fiscal responsibilities to shareholders, but this does not include the
 societal benefits of the net-metering program, which would be a more complicated analysis. D.
 Schibler agreed, also explaining that the increased cost is associated with the rate payers subsidizing
 the net metering program, but that utilities are legally required to keep rates as low as possible.

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J. Forward suggested that coupling net metering with batteries will increase the cost effectiveness. K. Epstein added that batteries could eliminate the need for net metering for some customers who simply use them to reduce their utility bill rather than exporting excess power.

D. Parkins suggested that if the issue is cost subsidy, utilities could simply be required to pay the higher rate 500 kW, but then pay normal rates above that. He emphasized that the point of net metering is to spur solar development, and that considering other policies such as the sound rules for wind, it is the only renewable technology available in the state and was concerned about further barriers in the sector. Daniel said net metering creates equity to allow people to participate in the net metering program to access solar.

K. Epstein added that project costs do not prevent households from installing solar net metering, since
there are no-cost options offered by installers. D. Decoster added that there has been zero solar
penetration in his low-income households. D. Parkins speculated that that could be of not being able
to focus on solar because of a variety of more immediate needs. D. Decoster agreed, noting that the
no cost programs from Sun Run don't lower the electric bill. J. Forward suggested that community
solar could be aggregated to target low- and moderate-income households, and D. Parkins added that
net metering would be a benefit in this scenario.

D. Schibler said that staff could take this feedback and decide how to include it into the ECOS Plan and other advocacy on state policy. K. Epstein said he would like to see an effort to increase the net metering capacity for public entities. Jeff added that the offsite option in net metering is helpful and hoped to find other ways to make renewables more affordable.

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In-State vs. Out-of-State Electricity Spending

J. Forward mentioned that now is a good time to discuss this topic given the legislative attention next
 session on the renewable energy standard. D. Parkins appreciated paragraphs that staff included in the
 ECOS Plan.

K. Epstein wondered if the ECOS Plan could include stronger language about statewide regulatory
changes, including the specific issues that make renewables unviable? D. Schibler responded that
staff can make a more pointed argument that current regulations stifle renewable energy generation
in-state because of requirements on utility costs. He noted that there are also physical barriers to
distributed generation in the form of grid constraints that will be a cost to ratepayers regardless;
however, those upgrades will create jobs and support long-term in-state revenue generation. J.
Forward offered that there is an equity issue exporting impacts of our consumption to Québec.

- 44 **6. ECOS Plan Schedule**
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M. Needle reviewed the revised schedule.

J. Forward made a motion, seconded by K. Epstein, to adjourn the meeting. The motion passedunanimously at 7:52 PM.

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- 50 Respectfully submitted,

## LRPC – Energy Sub-Committee

1 Darren Schibler and Melanie Needle