

December 20, 2021

June E. Tierney, Commissioner Vermont Department of Public Service 112 State Street Montpelier, VT 05620-2601

Re: Comprehensive Energy Plan 2022 Public Comments

Dear Commissioner Tierney,

In response to the Department of Public Service's ("Department's") draft 2022 Comprehensive Energy Plan ("CEP"), Burlington Electric Department ("BED") respectfully submits the following comments, and looks forward to continued engagement with the Department on these topics:

Section 4.6 of Chapter Four, pp. 4-43 and 4-44

- A(a)(i) of the CEP recommends that, "costs and benefits relating to the timing and location of DERs, as well as their ability to be flexible to changing circumstances, should be reflected in policies, programs, and rates wherever possible." It is BED's understanding that its costs and benefits related to timing and location of DERs are currently reflected in its policies, programs and rates. BED would find it helpful for the Department to provide examples of any such costs and benefits that may not be reflected in policies, programs and rates that this recommendation is designed to address.
- A(a)(ii) states, "grid-friendly DERs should be the focus of DER programs." It would be helpful to clarify what the Department means here by providing a definition or description of "grid-friendly DERs."
- A(c)(ii) states, "load flexibility initiatives should be codified in policies, regulations, and programs as much as possible, so they can be relied upon as inputs to grid planning efforts..." BED notes that to some extent, successful load flexibility initiatives will require maintaining enough flexibility to make changes to such initiatives over time to achieve increasingly successful implementation results. It seems that such flexibility could be restricted if codification of load flexibility initiatives in policies, regulations and programs were to be required.

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A(c)(ii) also states, "for example, electric vehicle incentives should be tied to time-of-use rates
or direct control schemes that can be clearly identified and used by distribution and
transmission planners to evaluate demand implications, thus avoiding "worst-case scenario"
planning." While it is BED's goal to enable management of electric vehicle charging loads, not all
electric vehicle purchase incentives can be directly tied to time-of-use rates or direct control
schemes unless an electric vehicle is paired with a customer installed charger and a customer's
voluntary participation in such rates.

Section 5.4.3.2 of Chapter Five, p. 5-27

- BED has concerns about the CEP's recommendation to, "encourage distribution utilities to offer appropriate alternatives to standalone demand charges for public-serving fast chargers. Vermont utilities should consider offering rates that relieve fast charging load from traditional demand charges, provided that the rate covers marginal costs and reasonably protects the system from the burdens of new coincident system peak loads." While BED understands the challenge that demand charges present for development of public level-three EVSE, BED is concerned that eliminating demand charges for privately-owned EVSE will shift the costs of the demand charges from privately-owned public EVSE owners to BED's ratepayers. However, levelizing those charges in a rate only applicable to privately owned public EVSE could be possible.

Section 6.3.5 of Chapter Six, p. 6-35

- The CEP recommends consideration of, "whether Tier III should become a part of any Clean Heat Standard. If Tier III is part of a CHS, ensure that CHS levels are set such that savings incremental to Tier III programs are made." BED strongly recommends that the Tier III program not be incorporated into any Clean Heat Standard and instead that the two programs remain separate and complementary. Tier III is the primary regulatory program BED and other utilities have to pursue strategic electrification programs that provide greenhouse gas emissions reductions while offering economic benefits for utility customers. BED also notes that Tier III is an important component of BED's plans for helping to meet Burlington's local climate goal of becoming a Net Zero Energy City by 2030, and is currently successfully providing customers with incentives to switch from fossil fuels to clean electric technologies in support of that effort. Tier III is an electric utility regulatory program, and should be kept separate from any regulatory requirements placed on heating fuel dealers or utilities, although coordination between the two programs would be important to ensure customer and economic benefits and avoid unnecessary redundancy.

Section 7.8.1.1.3 of Chapter Seven, p. 7-38

- In this section, the CEP recommends that, "the PUC should consider potential revisions to the Renewable Energy Standard and recommend a carbon-free portfolio standard that best meets the Global Warming Solutions Act requirements of cost-effective and equitable GHG

reductions." BED notes that on p. 7-35 the CEP states, "some states have moved to a 100% renewable requirement while others are focused on decarbonization, with the primary differences in the two approaches being the allowance of nuclear energy." BED requests that the Department clarify whether its intention in recommending a 100% carbon-free standard in this CEP as opposed to a 100% renewable standard is to allow for a more expansive range of eligible resources, such as nuclear, rather than to restrict resources that are currently eligible as renewable under current law.

Thank you for the opportunity to provide comments. Should you have any questions or concerns, please feel free to contact us at any time.

Sincerely,

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