

December 20, 2021

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

Via: PSD.ComprehensiveEnergyPlan@vermont.gov

RE: Comments on the draft 2022 Comprehensive Energy Plan, dated November 19, 2021 and Act 174 Standards Updates (memo dated November 22, 2021)

Dear Commissioner Tierney,

Thank you for the opportunity to review and comment on the draft 2022 Draft Comprehensive Energy Plan. The plan makes strides towards identifying a series of pathways and strategies to effectively move towards the State's Energy Policy. The plan's discussion on building equity and justice into the planning process positions the plan as a leader and sets an example for subsequent plans across departments and for regions and municipalities; recognizing environmental impacts to native people's lands, such as the Abanaki is an additional area of evaluation which could be considered. Contained within this letter please find CVRPC comments which are primarily presented from the land use planning perspective.

Grid Constraints

The draft CEP integrates and references the findings of VLECO's Long Range Transmission Plan. It echoes VELCO's identification of grid constraints and includes VELCO's analysis of the grid's capacity (or headroom) to take on additional solar before costly upgrades would be needed. The analysis also considers renewable energy targets established at the Regional Planning Commission level and has determined the targets in the majority of the regions exceed the current capacity of the grid.

The integration of strategically placed storage and load management techniques can aid in managing forecasted grid constraints however the challenges of additional capacity remain. The CEP recognizes the need for stakeholders to address the challenge and offers some suggestions (such as RPC's working with VELCO in updating energy plans and utility companies maintaining "distribution hosting capacity maps"). The CEP would be strengthened by providing specific pathways or strategies that addresses statewide coordination on grid constraint.

CVRPC supports the State taking a leadership role to coordinate the various stakeholders (i.e. VELCO, utility companies, Regional Planning Commissions, renewable energy developers) and recommends a specific policy be presented in the CEP which prioritizes the development of a planning framework to effectively address the recognized grid constraints. Individual RPCs and distributed energy resources will not be able to solve grid constraints without a unified statewide approach.

Transportation and Land Use Planning

The CEP's discussion on transportation and land use planning identifies the challenges of fostering smart growth as a method to decrease greenhouse emissions and energy consumption from the transportation sector. Those challenges identified in the CEP include lack of coordination between the diverse and competing land use objectives, inconsistences across jurisdictions (at the state, regional and local level) and limited political will to invest in professional local and regional planning staff. The CEP also identifies the local volunteer boards struggle with capacity and rely on RPC assistance to undertake necessary planning functions.

CVRPC supports the CEP Strategy (5.7.1 and 5.7.1.1) to integrate land use planning into transportation decision making framework and alignment of planning across ACCD, VTrans, PSD, and ANR. A coordinated, mutually supporting State agency approach would result in a more effective approach to smart growth implementation.

Siting Energy Resources

The CEP identifies that all RPC's and roughly 30% of municipalities have met the Act 174 Standards and have received a Determination of Energy Compliance. The CEP questions the effectiveness of these plans in aiding or directing developers to preferred sites for renewable energy generation. The CEP questions whether municipal plan language is specific enough to prevent development in undesired locations and specific enough to adequately and appropriately protect natural resources. The CEP references information provided by ANR in which ANR raises concern about recent conversion of forest land for the development of renewable energy facilities. The CEP briefly discusses other environmentally sensitive areas to be considered in the siting process and recognizes the tension and complexities between managing natural resources and supporting smart growth such as managing floodplains in village centers and downtowns. The CEPs includes the following recommendation: Siting of energy infrastructure should avoid or minimize conversion of natural lands and seek to maintain the ecological functions of the land.

This recommendation would benefit from defining what those "natural lands" are. To aid in the siting planning process CVRPC suggests the CEP include a more expansive discussion of environmental constraints and include explanation and rationale for the environmental constraints ("Known" and "Possible") contained with the current and proposed Act 174 Standards.

Act 174 Standards

Under statute the CEP is required to include "recommendations for regional and municipal energy planning and standards ("Standards") for issuing a determination of energy compliance." The PSD made some changes to the Standards as attached to the memo dated November 22, 2021. The PSD requested comments on the draft Standards and on three (3) options to update the standards as they relate to forest blocks.

The most significant changes to the Standards is the increased number of natural resource constraints added to the list of Possible Constraints to be included on required maps. Vernal Pools, Highest Priority Physical Landscape Blocks, Highest Priority Surface Water and Riparian Areas are proposed to be added to the list (Highest Priority Interior and Connectivity Blocks were already on the list.). The PSD also seeks input on how Priority Interior and Connectivity Blocks should be considered in the context of Possible Constraints. The draft CEP includes limited discussion and evaluation of statewide natural resources or "natural areas" and presents no rationale for the inclusion of an increased number of landscape constraints to be considered in the siting of new energy infrastructure. Adding the proposed natural resource constraints to the Standards is not incompatible with the Central Vermont Regional Plan,

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CVRPC. The Regional Plan supports maintaining forest integrity (specifically highest priority forest blocks and highest priority connectivity blocks) and the preservation of unique, irreplaceable or fragile natural areas, and important ecological functions including rare, threated or endangered species and significant natural communities; wetlands and special flood hazard areas. It is unclear how adding more data layers to the "Possible Constraints" map will result in greater effectiveness of plans in aiding or directing developers to preferred sites for renewable energy generation.

Proposed changes to the Standards include limited requirements for analyzing and planning for newly identified grid constraints or requirements related to storage siting. The one change is to Standard #9 in which the terms "storage, and transmission and distribution" have been added to the general requirement that plans shall contain policies and objectives on the development of siting renewable energy resources. CVRPC welcomes the opportunity to work with VELCO and the PSD to explore "additional planning scenarios that should be considered by land-use planners from a grid perspective" as identified in the draft CEP and to explore storage siting criteria to ensure this critical component of grid optimization is deployed in a manner which does not exacerbate grid constraints.

Both the CEP and the draft Standards indicate that the PSD will publish a revised guidance document six months after the finalization of the 2022 CEP. The revised guidance document will incorporate new issues and updated best practices to aid regions and municipalities in their efforts to seek and maintain determinations of energy compliance. Drafting changes to the Standards prior to developing the revised guidance document appears to be counterproductive. CVRPC supports development of a revised guidance document and echoes the CEP's recommendation of aligning planning frameworks across ACCD, VTrans, PSD, and ANR. A valuable starting point would be the integration of enhanced energy planning guidance and standards into the framework of the ACCD planning manual and reconciling data and mapping requirements and planning approaches. Providing increased, consistent funding to RPC's will help build expert capacity at the regional and local levels for data collection and updates; exploration of alternative land use scenarios; and plan writing and technical reviews to meet Act 174 standards.

CVRPC suggests the framework consider a unified expectation of the role of the regional and municipal plan (i.e. should it be a visionary document as implied in the ACCD Planning Manual or a regulatory document as utilized in the Act 250 and the Section 248 processes; and more consistent data, mapping and inventory-level expectations between Act 174 Standards, Act 171 guidance and 24 V.S.A. § 4302, State Planning Goals, § 4347 regional plan requirements and § 4382 municipal plan requirements.)

Thank you once again for the opportunity to comment on the draft Comprehensive Plan, we look forward to partnering with the Pubic Service Department on furthering the state energy goals.

Sincerely,

Clare Rock Senior Planner

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