

To: State of Vermont Department of Public Service, 112 State Street, Montpelier, VT

05620-2601

From: 350VT Electricity Policy Group on behalf of 350VT membership

Re: Initial Request for Input on Comprehensive Review of Vermont's Renewable & Clean

Electricity Policy and Programs

Date: August 12, 2022

350VT thanks the Department of Public Service (DPS) for launching an effort to review the effectiveness of Vermont's renewable energy policies and programs so we can achieve the greenhouse gas (GHG) reductions through deployment of new renewable energy resources and electrification of the thermal and transportation sectors as mandated by the Global Warming Solutions Act and consistent with its commitment to the goals of the Paris Climate Agreement and US Climate Alliance. (See Guiding Principles in Appendix.) These actions are essential foundational steps to reducing Vermont's GHG footprint and addressing the climate crisis.

In response to your Request for Information, we respectfully submit these comments and questions:

1. The Scope of the RFI needs to be expanded

The Department's Request For Input (RFI) frames the issues to be addressed by the RFI as an assessment to advance state energy goals and climate requirements, particularly the 2022 Comprehensive Energy Plan (CEP) and 2021 Climate Action Plan (CAP). 350VT respectfully suggests that the task before us is much broader, much more ambitious, and much more immediate than suggested by the RFI. Most importantly, we need electric sector policy and programs that fully align with the ambitious GHG emissions reductions required by the GWSA and that have the additionality, environmental integrity, transparency, accountability expected by the GWSA, the Paris Agreement and the US Climate Alliance.

2. Consider Vermont's role in the Intergovernmental Panel on Climate Change (IPCC) report of massive failure by governments to address the climate crisis and achieve emissions reduction goals

As expressly acknowledged by Section 2(1) of the Vermont Global Warming Solutions Act of 2020 (GWSA), "[a] climate emergency threatens our communities, State, and region and poses a significant threat to human health and safety, infrastructure, biodiversity, our common environment, and our economy.¹

This review must consider the broader context of governments' failure to address their climate goals and the importance and urgency of advancing those goals for Vermont.

First, Vermont's energy policies need to be grounded in the latest science and accountability. Consider the recent remarks from UN Secretary General Guterres following the February, 2022 IPCC Report on Climate Change:

"I have seen many scientific reports in my time, but nothing like this. Today's IPCC report is an atlas of human suffering and a damning indictment of failed climate leadership. With fact upon fact, this report shows how people and the planet are getting clobbered by climate change. Nearly half of humanity Is living In the danger zone - now. Many ecosystems are at the point of no return - now. Unchecked carbon pollution is forcing the world's most vulnerable on a frog march to destruction - now. The facts are undeniable. This abdication of leadership Is criminal. The world's biggest polluters are guilty of arson of our only home. It is essential to meet the goal of limiting global temperature rise to 1.5 degrees.

You cannot claim to be green while your plans and projects undermine the 2050 net-zero target and ignore the major emissions cuts that must occur this decade. People see through this smokescreen As current events make all too clear, our continued reliance on fossil fuels makes the global economy and energy security vulnerable to geopolitical shocks and crises. Instead of slowing down the decarbonization of the global economy, now is the time to accelerate the energy transition to a renewable energy future."²

The Secretary General's April 4, 2022 comments on the launch of the 3rd IPCC Report specifically calls out the immediate elimination of greenwashing tactics, and instead engaging in a real and rapid transition to new renewable energy growth:

"The jury has reached a verdict. And it is damning. This report of the Intergovernmental Panel on Climate Change is a litany of broken climate promises. It is a file of shame, cataloguing the empty pledges that put us firmly on track towards an unliveable world. We are on a fast track to climate disaster. Major cities under water. Unprecedented heatwaves. Terrifying storms. Widespread water shortages. The extinction of a million species of plants and animals. This is not fiction or exaggeration. It is what science tells us will result from our current energy policies.

_

¹ Act No. 153, § 2(1) (2020).

² UN SG statement WGII Pressconference-.pdf (ipcc.ch) (emphasis added).

We are on a pathway to global warming of more than double the 1.5°C limit agreed in Paris. Some Government and business leaders are saying one thing, but doing another. Simply put, they are lying. And the results will be catastrophic. This is a climate emergency.

Climate scientists warn that we are already perilously close to tipping points that could lead to cascading and irreversible climate impacts. But, high-emitting Governments and corporations are not just turning a blind eye, they are adding fuel to the flames. They are choking our planet, based on their vested interests and historic investments in fossil fuels, when cheaper, renewable solutions provide green jobs, energy security and greater price stability.³

We ask you to assess how Vermont is doing on this front.

3. <u>Key Issues for Consideration: What is Vermont Doing Well? And, What Are We Not Doing Well?</u>

In addition to asking what Vermont is doing well, 350VT urges the Department to examine where we are falling short in meeting our obligation to address the climate emergency through electric sector policy and program reform. We request a thorough review of Vermont's governmental practices and policies to ensure Vermont is not failing but is taking the necessary steps to avert catastrophe. We believe that this is what the people of Vermont want and have elected their representatives to do.

Information Needed For Comments and Establishing the Scope of the Review:

350VT is not able to respond to the Department's questions without more information from the DPS in its legislatively assigned role as the State energy policy agency.

We ask you to answer the following questions to provide the information needed for Vermonters to assess the state of our electric policy, programs, and success in meeting the preconditions of the Paris Agreement and GWSA.

Transparency and Accountability to the Public

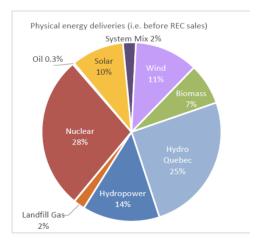
- Where can we see the comments you are receiving in response to this request?
- Will you respond to the questions we and others have and make these answers available? Where/how will you share these?
- How will you track ongoing public engagement and report on it in a transparent way?

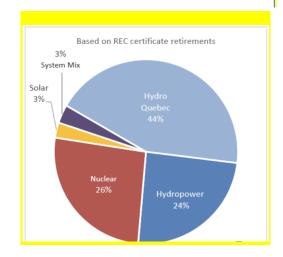
³ <u>Secretary-General Warns of Climate Emergency, Calling Intergovernmental Panel's Report 'a File of Shame', While Saying Leaders 'Are Lying', Fuelling Flames | UN Press | .</u>

Transparency and Accountability to the GWSA goals

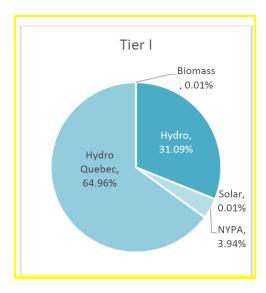
- 1. How does the Vermont Renewable Energy Standard (RES) address and ensure attainment and GHG emissions reductions from the electric sector? What features of the Renewable Energy Standard (RES) will accomplish emissions reduction?
- 2. How well is the RES working to reduce our carbon emissions toward the GWSA goals?
- 3. Is the VT RES designed to require and achieve the GHG emissions reductions in the electric sector and track those emissions reductions, as required by the GWSA, and the Paris and US Climate Alliance Agreements Vermont has committed to?
- 4. How does the RES address and ensure that the key preconditions of the Paris Agreement -- additionality, environmental integrity, transparency, and a robust GHG accounting framework are achieved?
- 5. How does the statutory definition of "renewable" translate into electricity resources that are additional and reduce GHG emissions?
- 6. Has the Department worked with ANR to research and adopt GHG accounting protocols that achieve transparent and accurate lifecycle accounting of GHG emissions as required by 10 VSA 582 (adopted 2007). If so, what information and rules have been developed to meet this mandate with respect to electric sector emissions. If not, why not?
- 7. Does the Department continue to support treatment of Hydro Quebec and other large and old hydro attributes as renewable resources that qualify for the RES? If so, why?
- 8. How do these resources meet the additionality precondition?
- 9. Please explain whether the before and after REC sales graphics below from 2022 CEP illustrate that the VT Electric Supply (after REC sales) has lower GHG emissions than before REC sales?

Exhibit 7-17. Vermont Electric Energy Supply, 2020, Before and After REC Sales and Purchases





• What proportion or percentage of the Tier I resources illustrated in the following 2022 CEP graphic are "additional" new renewable resources? Why are only 0.01% new renewable solar?⁴:



4. Response to Specific RFI Questions

Topic 1: Timeline & Stakeholders

350VT does not support the Department's proposed seven-month study timeline. We support ongoing engagement of stakeholders, prioritizing the input of those most impacted by and at risk from climate change and an energy transition, including ongoing engagement of Cree and Inuit populations impacted by Hydro-Quebec.

We believe it is possible and necessary to embed ongoing public engagement into policy development and implementation and that the proposed 7 month timeline would preclude timely input into energy policy during the 2023 Legislative session. Given the multi-month stakeholder involvement already undertaken for the Department's 2022 CEP, 350VT requests that the Department make a top priority of this initiative to meet a December 1, 2023 deadline.

-

⁴ CEP 2022 Exhibit 7-15 at 240.

Topic 2: Decision Criteria

350VT asks the DPS to use the following values and criteria in assessing the effectiveness of Vermont's electricity policies and programs:

- i. Be bold the time for action is now and life on earth as we know it is at stake. We require solutions that are proportionate to the humanitarian and ecological crisis we face.
- ii. Align Vermont with international emissions reduction goals Paris ClimateAgreement and IPCC
- iii. Require additionality
- iv. Make the process transparent and equitable
- v. Make solutions affordable and accessible to all
- vi. Solutions need to have minimal detrimental social impacts, especially on communities that disproportionately bear the greatest economic, ecological, and social burdens
- vii. Solutions need to minimize detrimental ecological impacts

APPENDIX

• Guiding Principles of the GWSA:

Section 2(2) of the GWSA provides in relevant part:

"The State of Vermont is part of the U.S. Climate Alliance, a bipartisan coalition of 25 states that have committed to reducing greenhouse gas emissions consistent with the goals of the Paris Agreement. Working in parallel with other members of the U.S. Climate Alliance, the State of will help accelerate solutions that address the climate crisis in the absence of federal action.⁵

Section 3 of the GWSA (codified at 10 V.S.A. § 578) mandates that "Vermont shall reduce emissions of greenhouse gases from within the geographical boundaries of the State and those emissions outside the boundaries of the State that are caused by the use of energy in Vermont, as measured and inventoried pursuant to section 582" of Title 10, Vermont Statutes Annotated. The quantities of emissions reductions mandated are 26% by 2026 "pursuant to the State's

⁵ Act No. 153, § 2(2)(2020).

⁶ Act No. 153, § 3 (2020)(codified at 10 V.S.A. § 578(a)).

membership in the United States Climate Alliance and a commitment to implement policies to achieve the objectives of the 2016 Paris Agreement", with reductions of 40% and 80% by 2030 and 2050, respectively, "pursuant to the State's 2016 Vermont Comprehensive Energy Plan.8

Guiding Principles of the Paris Agreement – Additionality, Environmental Integrity, Transparency, Robust GHG Accounting, and Accountability

The Paris Agreement is Part of the UNFCCC Framework. UNFCCC stands for United Nations Framework Convention on Climate Change (1994). The UNFCCC is the parent treaty of the 2015 Paris Agreement and is also the parent treaty of the 1997 Kyoto Protocol. The ultimate objective of all three agreements under the UNFCCC is to stabilize greenhouse gas concentrations in the atmosphere.⁹

Additionality is a fundamental precondition of the Kyoto Protocol and the Paris Agreement.¹⁰ The Kyoto Protocol Article 12, paragraph 5(c) defines additionality as "reductions in emissions that are additional to any that would occur in the absence of the certified project activity."¹¹ Additionality is Required by Paris Agreement Article 6.4's Requirement that "climate mitigation mechanisms must deliver an 'overall mitigation in global emissions."¹² This is made clear by UNFCCC Conference of the Parties ("COP") 21 (2015) Resolution No 37, Issued on Adoption of the Paris Agreement, expressly requires that emissions reductions be additional:

- "37. Recommends that the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement adopt rules, modalities and procedures for the mechanism established by Article 6, paragraph 4, of the Agreement on the basis of:
- (a) Voluntary participation authorized by each Party involved;
- (b) Real, measurable, and long-term benefits related to the mitigation of climate change;
- (c) Specific scopes of activities;
- (d) Reductions in emissions that are additional to any that would otherwise occur;
- (e) Verification and certification of emission reductions resulting from mitigation activities by designated operational entities \dots ."

⁸ 10 V.S.A. § 578(a)(2) & (3) (emphasis added). The Department's 2021 CEP does not recognize that the GWSA emissions reductions are tied to the 2016 CEP, not the 2021 CEP.

 $\frac{\text{https://unfccc.int/process-and-meetings/the-kyoto-protocol/history-of-the-kyoto-protocol/text-of$

 $\frac{https://unfccc.int/process/conferences/pastconferences/paris-climate-change-conference-november-2015/paris-agreement}{paris-climate-change-conference-no$

⁷ 10 V.S.A. § 578(a)(1).

https://newsroom.unfccc.int/about-us/about-the-secretariat https://unfccc.int/process-and-meetings/the-convention/what-is-the-united-nations-framework-convention-on-climate-change

¹⁰ Microsoft Word - Additionality under Art. 6 VP 2017-10-27 PRINT (icroa.org)

https://www.wri.org/insights/what-you-need-know-about-article-6-paris-agreement https://unfccc.int/resource/docs/2015/cop21/eng/10a01.pdf#page=2

Pursuant to Paris Agreement Article 4.14, "when recognizing and implementing mitigation actions with respect to anthropogenic emissions and removals, Parties should take into account, as appropriate, existing methods and guidance under the Convention [UNFCCC]." The UNFCCC has adopted guidelines that ensure mitigation projects have additionality. 15

Article 6.2 of the Paris Agreement also requires that parties ensure environmental integrity, transparency, and apply robust accounting of emissions reductions:

"Parties shall ... promote sustainable development and ensure environmental integrity and transparency, including in governance, and shall apply robust accounting to ensure, inter alia, the avoidance of double counting, consistent with guidance adopted by the Conference of the Parties [UNFCCC] serving as the meeting of the Parties to this Agreement." ¹⁶

Similarly, Paris Agreement Article 4.13 provides:

"In accounting for anthropogenic emissions and removals corresponding to their nationally determined contributions, <u>Parties shall promote environmental integrity</u>, <u>transparency</u>, <u>accuracy</u>, <u>completeness</u>, <u>comparability and consistency</u>, <u>and ensure the avoidance of double counting</u>, <u>in accordance with guidance adopted by the Framework Convention [UNFCCC]</u>"

¹⁴

https://unfccc.int/process/conferences/pastconferences/paris-climate-change-conference-november-2015/paris-agreement

¹⁵ See Tool for the demonstration and assessment of additionality. (Version 05.2). (unfccc.int).