SUSTAINABLE ENERGY STUDY #24

Renewable Energy Focus Urged for Vermont; Up to 6,000 Jobs Seen:

Vermont could see as many as 6,000 new jobs developed over the next decade if the state aggressively supports the development of renewable energy sources and programs, according to a 48-page report released September 18, 2007.

The report "Strengthening Vermont's Energy Economy" by the Vermont Council on Rural Development contains 23 recommendations to advance the renewable energy sector of the state's economy, including an all-fuels energy efficiency proposal supported by Legislative Democrats that was vetoed by Gov. James Douglas.

The Vermont Rural Energy Council (VREC) was convened in June 2006 to embark on an in-depth examination of the economic opportunities for Vermont in conservation and renewable fuel development and generation. The 23-member council reviewed the commissioned research that resulted in the "Vermont Energy Digest," a compendium of existing energy data, listened to extensive testimony, and evaluated an economic model developed by Economic and Policy Resources of Vermont. The findings of their analysis and year-long discussion have resulted in this report.

This final report of VREC contains recommendations in categories including Making Energy a Priority, Financial and Policy Recommendations, Education, Training and Research, and Advancing Specific Sectors. The report also contacts the complete economic modeling results which details significant economic opportunity in the scenarios analyzed. The model analyzed 14 specific scenarios and will be available for use by those interested in modeling other scenarios and further developing this important research.

The VREC spent more than a year studying the economic possibilities around renewable energy and the report suggests that the Vermont Department of Public Service be charged with expanding and promoting its development. The department oversees energy and utility issues in the state.

The report places a strong emphasis on relying on small-scale hydro, solar, wind and methane gas energy sources and the ways Vermont's government can encourage and assist companies, organizations and individuals in developing green initiatives.

Other recommendations include incentives to help green business start-up and expand, preparing a carbon plan to reduce dangerous emissions, direct workforce training toward the renewable energy field and streamlined state regulations for green efforts.
"These recommendations are an opportunity and strategy for us as a state to advocate efficiency in a practical manner and move the state forward," said Richard White, the CEO of Community National Bank and the chair of the energy council.

Notably, the report encourages the state to develop an all-fuels efficiency program and consider all possible funding sources, including using a heating fuel tax as a funding source.

That was the proposal sponsored by Senate President Pro Tem Peter Shumlin this year, which faced strong opposition from Republicans and Douglas. The governor later vetoed a similar proposal which levied a new tax on nuclear power plants as a funding source.

"If Vermont can begin working on these recommendations, it signals to the world that we are open for business and intends to be a leader in the renewable energy sector," said Paul Costello, the executive director of the Rural Development Council.

Several members of the council stated that Vermont is facing an energy crisis with key contracts with Vermont Yankee nuclear power plant and Hydro Quebec ending in the next several years. They called on lawmakers and Douglas to put their differences aside and focus on expanding renewable energy efforts across the state.

Meanwhile, the Legislature's Joint Energy Committee voted Tuesday to hire a consultant, at a cost of up to $25,000, to study and help develop an energy-efficiency program with an eye to resurrecting the proposal that Douglas vetoed earlier this year.

House Speaker Gaye Symington, a Democrat from Jericho, said the consultants will bring clarity to how best set up the program and show how it would help Vermonters reduce their energy costs.

She added that the Rural Development Council's report shows that lawmakers were on the right track when they approved an all-fuels efficiency program earlier this year.

"This reinforces the decision that the Legislature made earlier this year to look at the ways of expanding energy efficiency across the state," Symington said. "This would save Vermonters money and develop some new good jobs."

Calls to the Douglas administration for comment on the report were not returned Tuesday. But Richard Smith, the deputy commissioner of the Public Service Department and a member of the energy council, said there are some proposals the state likes and some it doesn't.

The economic modeling, which suggests money saved and jobs created for various renewable energy efforts, and the energy digest, an inventory of renewable projects in Vermont, will be a considerable help as lawmakers and state officials work on securing an energy future, Smith said.

"Some of these recommendations are things that we are already looking at or working on," Smith said. "There are some real good ideas here and then there are some that we just don't support."
One of the recommendations that the Public Service Department may have a difficult time with is an increase in the cap on net metering from 150 kilowatts to 2,000, which allows homes or business to generate electricity and feed into the grid.

"I think it would be prudent to let the [Public Service] Board to look at this and have them make the decision," he said.

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The Vermont Council on Rural Development policy councils strive to develop ideas achieved through dialogue, information sharing, and consensus building. The issues around energy, climate, and the economy are important priorities to the people of Vermont, and many efforts are underway to address those concerns. VCRD is offering this final report in the spirit of collaboration and respect, and provides these recommendations as starting points for public policy development and implementation.

The full report will be available along with the companion publication "Vermont Energy Digest" on VCRD's website. It may also be requested by contacting Bonnie Smoren, Executive Assistant, at vcrd2@sover.net.

A news story reporting on this study (the text of which is incorporated into the information above) was issued on September 19, 2007 by the Vermont Press Bureau and authored by Daniel Barlow, September 19, 2007. It can be found at:

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