



October 10, 2011

Elizabeth Miller, Commissioner
Department of Public Service
112 State Street
Montpelier, VT 05620-2601

Re: NEEP Comments on the Vermont 2011 Comprehensive Energy Plan

Dear Commissioner Miller:

On behalf of Northeast Energy Efficiency Partnerships (NEEP),¹ we thank you for the opportunity to submit these comments on the energy efficiency recommendations within the Vermont 2011 Comprehensive Energy Plan.

NEEP is a regional nonprofit organization founded in 1996 whose mission is to promote the efficient use of energy in homes, buildings, and industry in New England, New York, and the Mid-Atlantic states through regionally coordinated programs and policies that increase the use of energy efficient products, services and practices, and help achieve a cleaner environment and a more reliable and affordable energy system.

Vermont Statutes (Title 30, Chapter 5: Powers and Duties of the Department of Public Service) require the Department of Public Service (DPS) to produce a 20-year comprehensive state energy plan that analyzes and projects the use, cost, supply, and environmental costs of all Vermont energy resources and to provide recommendations on how to implement the desired actions.² The 2011 Comprehensive Energy Plan wisely makes energy efficiency “the first choice in energy policy” and recognizes that expanding and broadening its energy efficiency programs is the most cost-effective way to meet the state’s energy resource needs.

NEEP supports the Department’s recommendations for improving Vermont’s electric and thermal efficiency and offer brief comments on two main themes. We believe:

- The all-fuels efficiency roadmap process led by the Department of Public Service is critical to meeting Vermont’s energy savings goals, and;

¹ These comments are offered by NEEP staff and do not necessarily represent the view of NEEP’s Board of Directors, sponsors or underwriters.

² Vermont Department of Public Service. *Vermont Comprehensive Energy Plan 2008*. Available at <http://www.vtenergyplan.vermont.gov/sites/cep/files/CEP%20Draft%20Public%20Review%202008-2011.pdf> (i-1)



- The Energy Plan's recommendations for building energy codes and building energy disclosure are exemplary.

1) The all-fuels efficiency roadmap process led by the Department of Public Service (DPS) is critical to meeting Vermont's energy savings goals.

Although Vermont has made tremendous strides in energy efficiency, additional efforts can achieve deeper and broader savings, particularly in the area unregulated fuels, which provide heat for up to 70 percent of homes in the state. The proposed DPS-Agency of Services roadmap for a whole-building approach to all-fuels efficiency is an appropriate response. This roadmap includes three broad strategies: (1) increasing funding for financing mechanisms; (2) making efficiency projects more consumer-friendly and accessible to homeowners; and (3) increasing tracking and measuring for non-electric efficiency projects.³

NEEP believes that this process is worthwhile and will help its energy efficiency programs reach more customers and achieve deeper savings. It will be particularly important for the roadmap process to address the need for a dedicated funding source for oil heat energy efficiency programs. In order for Vermont to meet its energy savings goals, there will have to be substantial increases in funding. The Regulatory Assistance Project projects that oil heat funding will need to rise to by an estimated \$17 to \$33 million per year.⁴ Establishing a stable and robust source of funds could bridge this funding gap and expand access to the Vermont customers unable to take full advantage of the state's current efficiency programs.

2) The Department of Public Service recommendations for building energy codes and building energy disclosure are exemplary.

We applaud the DPS for placing a strong emphasis on building energy codes and the disclosure of building energy use. Taken together, these recommendations have enormous potential to leverage Vermont's customer efficiency programs and lock in energy savings for years to come. NEEP's Building Codes team is actively engaged with stakeholders in Vermont and looks forward to assisting the DPS as it works to adopt the 2012 IECC and above-code designs.

³ Vermont Department of Public Service. *Comprehensive Energy Plan 2011*. Vermont's Energy Future Volume 1. pp.5-5

⁴ Efficiency Vermont. *2010 Annual Savings Claim*. Available at http://www.efficiencyvermont.com/docs/about_efficiency_vermont/annual_reports/2010_Savings_Claim.pdf; The Regulatory Assistance Project. 2011. *Affordable Heat: Whole-Building Efficiency Services For Vermont Families and Businesses*. Available at <http://www.raonline.org/document/download/id/4439>.



NEEP particularly commends Vermont for its work on building energy disclosure, a market-based mechanism that can create a common currency regarding home and building energy use and protect consumers against high energy costs.⁵

Full disclosure of energy costs will also increase compliance with building energy codes and participation in the state's customer efficiency programs. Vermont has the opportunity to lead the region by becoming the first state to establish a statewide time of sale building energy rating policy. The Building Energy Disclosure Working Group created by Act 47 is an excellent vehicle to facilitate enactment and implementation of a building energy disclosure program.

We offer one area for improvement: Although Vermont has several energy standards for residential and commercial outfits, there have been no mandates for public buildings and schools. In the past, schools that incorporated wood chip, geothermal, wind, or solar power were eligible for up to 75 percent state aid.⁶ This option has unfortunately been suspended since 2007. Because funding is not presently available, Vermont should consider adopting uniform energy standards for public buildings and schools. Several states which NEEP's High Performance Buildings Team is closely working with have found public building standards to work effectively and we encourage the DPS to consider such a recommendation within the 2011 energy plan.

Again, we congratulate Vermont for its continued regional and national leadership on energy efficiency. The 2011 Comprehensive Energy Plan will help the state achieve even greater energy savings, reduce its dependence on out of state sources of energy, and lower harmful emissions. We fully support the initiatives here and look forward to engaging with the Public Service, Efficiency Vermont, and other key stakeholders as they carry them out.

Sincerely,

A handwritten signature in blue ink that reads "Natalie Hildt".

Natalie Hildt
Manager of Public Policy Outreach
Northeast Energy Efficiency Partnerships

⁵ See NEEP's "Valuing Building Energy Efficiency through Disclosure and Upgrade Policies. Available at http://neep.org/uploads/policy/NEEP_BER_Report_12.14.09.pdf.

⁶ 16 V.S.A. § 3448