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To: [Springer, Darren](#); [Hopkins, Asa](#); [Recchia, Chris](#)
Subject: conf exec priv/policy development
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I did a deeper dive into the EIP discussion and did some reading.

First - really liked the power point. It needs a paragraph before the fancy scenarios chart that just states in very simple terms how the economics works. "In order to meet the renewable requirements in each tier set by statute (or board proceeding), a utility must either actually purchase/use RE or RECs, or invest in MW equivalent thermal etc.... or pay into a clean energy fund (if ACP is a part of your plan here). The cost of compliance, whatever it may be, is recovered by the utility in rates to customers. By using thermal investments to offset RElectric requirements, state can lower overall electric consumer compliance cost/potentially lower customer thermal energy bills/etc." you get the idea - it just needs 101 on how these policies work in the market/what the theory is so that the reader can have a prayer of understanding the Asa chart.

Second, we have to do some reconnaissance and modeling before we embrace this and let others know of the possibility we are pursuing it -- regarding what this model would mean for two or three putative C&I customers. Maybe take the old standby, IBM, as one just because it will so obviously come up. They are in GMP territory so the exposure to risk will be different than the generic chart, and you'd have to take into account the baseline "what if everything stayed the same and we did nothing after 2017" which is not presently there, to be fair about it. And you'd have to think through any offsetting savings such a plan may allow such a customer, which isn't easy. And maybe take a more typical manufacturer or at least a different territory mfg facility too, like franklin foods maybe. Is that possible? It was the first question I got when discussed, and realistically we need to know the answer anyway. Projected increase over best case with no action scenario, and possible decrease in event of worst case with bad CT/regional outcome scenario - % and total dollars. Feel free to figure it out and give to me separately - I don't think you need to add it to power point...

Unless... there is a mechanism I'm not presently thinking of to legitimately and for decent policy reason treat C&I (or transmission class) differently. I imagine not...at least in ways that would be significant from a clean energy POV. Unless it were SMEEP-like? wherein a company's investment in RE/clean TE bought off their own contrib? Not quite right given that this is an integral part of the rate rather than separate charge. Anyway, think about it so that we are able to answer the question of risk and rate impact not just overall as presently charted but for business in particular, since basically the theme of the legislative prep thus far has been overlaid with concern that last session truly was viewed as not good for business, rhetoric aside. [ACCD legislative report recently completed was a plea to other agencies and departments not to increase business costs for example, with a litany of bills totally unrelated to what you guys do that either imposed cost or burden from the past session, not just the headliners.] The fact that some of these go through without our support/effort is beside the point after signature, of course.

So - before you get folks more excited about this idea (i've had REV calls already etc., as Darren knows), let's do a specific look at C&I as noted with a few specific examples - and see what we will face.

This is really exciting stuff and it would be great to be able to pursue it effectively. Thank you...
Liz

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