

STATE OF VERMONT
PUBLIC SERVICE BOARD

Docket No. 8817

Investigation into programmatic adjustments)
to the standard-offer program)

Order entered: 9/16/2016

ORDER OPENING INVESTIGATION AND NOTICE OF WORKSHOP

I. INTRODUCTION

Pursuant to 30 V.S.A. § 8005a, the Vermont Public Service Board (“Board”) hereby opens an investigation into programmatic adjustments to the standard-offer program. The investigation will include the establishment of a pilot project for standard-offer projects, the review of standard-offer price caps, and review of the allocation of available capacity under the standard-offer program.

II. BACKGROUND

On June 13, 2016, Public Act 174 (“Act 174”) became law.¹ Act 174 codified Section 8005a(c)(1)(D), which mandates changes to the standard-offer program that require the Board to establish a pilot project for standard-offer projects located at “preferred locations.” Act 174 requires that:

For one year commencing on January 1, 2017, the Board shall allocate one-sixth of the annual increase to new standard offer plants that will be wholly located in one or more preferred locations other than parking lots or parking lot canopies and, separately, one-sixth of the annual increase to new standard offer plants that will be wholly located over parking lots or on parking lot canopies.

Further, Act 174 codified Section 8005a(f)(5), which identifies the methodology the Board must employ to determine standard-offer prices for the preferred-location projects.

Notwithstanding the changes mandated by Act 174, pursuant to Section 8005a(f)(3), the Board is required to annually review the established avoided costs under the standard-offer

1. Public Act 174 (2016, Vt., Adj. Sess.).

program. In addition, Section 8005a(c)(2) requires the Board to allocate the 127.5 MW cumulative capacity of the standard-offer program among different categories of renewable energy technologies.

On February 12, 2016, the Board issued an Order establishing a mechanism for the allocation of available capacity for the remainder of the standard-offer program pursuant to Section 8005a(c)(2).

On March 7, 2016, pursuant to 30 V.S.A. § 8005a(f)(2), the Board issued an Order determining the avoided costs that served as price caps on the standard-offer projects solicited for the 2016 standard-offer program allocation. The March 7th Order also determined the avoided costs that will serve as the prices for farm methane projects under the standard-offer program. Pursuant to Section 8005a(g), farm methane projects remain outside of the programmatic cap.

As part of the annual price review and as a result of the Act 174 changes, the decisions in these orders may need to be revisited going forward.

III. DISCUSSION

We are appointing Board staff to initiate a proceeding to address the Act 174 requirement to establish a pilot project for standard-offer projects located at preferred locations. This proceeding will also address the annual review of avoided-cost prices. In addition, this proceeding will address the technology allocation of available capacity for 2017, given the requirements of the pilot project. This docket will be conducted as a non-contested case proceeding.

On Tuesday, October 4, 2016, at 9:30 a.m, Board staff will hold a workshop to discuss the pilot project for preferred locations, avoided-cost prices, and technology allocations.² In addition, the schedule for the proceeding will be discussed. The workshop will be held in the Susan M. Hudson Hearing Room, located on the 3rd floor of the People's United Bank Building, 112 State Street, Montpelier, Vermont. The workshop will be recorded by a court reporter.

In order to effectively manage this docket, the Board is establishing a new e-mail list for the docket. **The Board will no longer utilize existing e-mail lists for this proceeding.** Any

2. A Board memorandum providing details of the workshop agenda will be issued in advance of the workshop.

person who wishes to participate in this proceeding or to receive emails about it may contact the Clerk of the Board at psb.clerk@vermont.gov to request to be added to the e-mail list.

III. ORDER

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED by the Public Service Board of the State of Vermont that:

1. Pursuant to 30 V.S.A. § 8005a, an investigation is opened into program changes to the standard-offer program and the development of standard-offer prices.
2. Board staff shall conduct a workshop on Tuesday, October 4, 2016, commencing at 9:30 A.M., in the Susan M. Hudson Hearing Room, located on the 3rd floor of the People's United Bank Building at 112 State Street in Montpelier, Vermont.

Dated at Montpelier, Vermont, this 16th day of September, 2016.

<u>s/James Volz</u>)	
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<u>s/Margaret Cheney</u>)	
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PUBLIC SERVICE
BOARD
OF VERMONT

OFFICE OF THE CLERK

FILED: September 16, 2016

ATTEST: s/Judith C. Whitney
Clerk of the Board

NOTICE TO READERS: This decision is subject to revision of technical errors. Readers are requested to notify the Clerk of the Board (by e-mail, telephone, or in writing) of any apparent errors, in order that any necessary corrections may be made. (E-mail address: psb.clerk@vermont.gov)