



Forest Conversion for Net-Metering: Trends & Options to Reduce

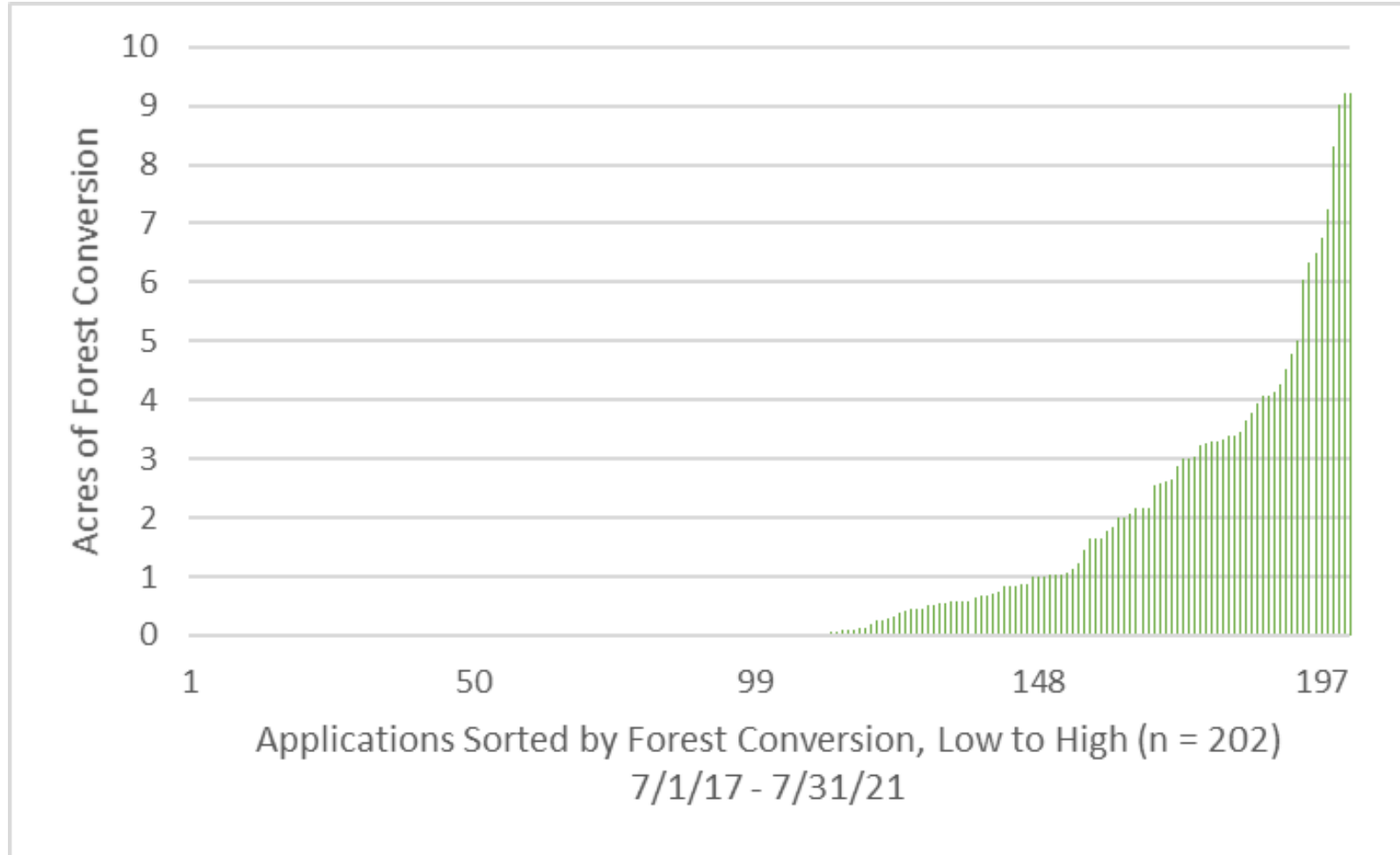
Vermont Agency of Natural Resources
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Report to the Vermont General Assembly on the Net-Metering Program Pursuant to Act 99 of 2014 (2017)

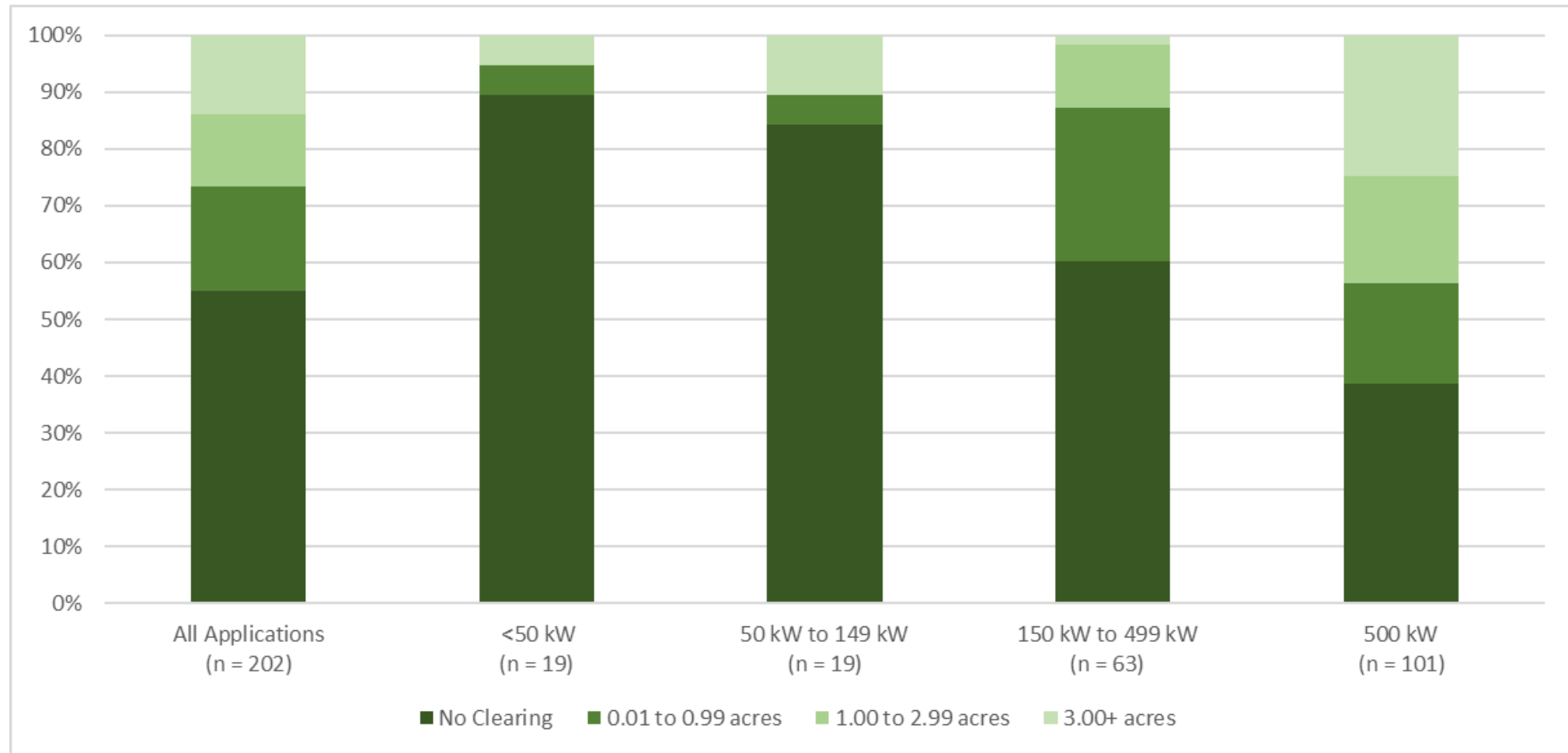
*While renewable energy facilities do not consume natural resources for fuel, such resources are consumed through the construction of such facilities. The former net-metering program provided comparable economic incentives for all net-metering systems regardless of their environmental siting impacts. As a result, **net-metering systems have disproportionately been sited in undeveloped fields and forests because greenfield sites cost less to develop.** Therefore, the final proposed rule introduces incentives for constructing net-metering systems in a manner that reduces the environmental impact of such construction by offering higher rates for net-metering systems that are sited on preferred sites such as roofs and previously developed areas.*

Forest Conversion for Net Metering: Data & Trends



- 202 NM & NMP projects
- 208.2 acres forest converted
- 92 (46%) involved forest conversion
- 55 (27%) involved > 1 acre forest conversion
- 29 (14%) involved > 3 acres forest conversion
- 10 (5%) involved > 5 acres forest conversion

Forest Conversion By System Capacity



Forest Conversion By Preferred Site

Net-Metering Applications by Preferred Site Type and Forest Cleared, 7/1/17 through 7/31/21

Preferred Site	Applications	% of Total	Forest Cleared (Ac.)	Forest Cleared/Application (Ac.)
1 - New/Existing Structure	0	0.0	0.00	0.00
2 - Parking Lot Canopy	7	3.5	0.00	0.00
3 - Previously Developed	3	1.5	0.00	0.00
4 - Brownfield	4	2.0	6.19	1.55
5 - Sanitary Landfill	8	4.0	1.36	0.17
6 - Gravel Pit, Quarry, Etc.	27	13.4	16.95	0.63
7 - Muni Plan/Letter	101	50.0	143.27	1.42
8 - Superfund	0	0.0	0.00	0.00
9 - Near Customer Load	45	22.3	31.78	0.71
NA	7	3.5	8.61	1.23
Total	202	100	208.16	1.03



Forest Values and Conservation Policies

Values

- Water supply/quality protection
- Flood control and protection
- Wildlife habitat and biodiversity
- Clean air, carbon sequestration, carbon storage
- Scenic beauty
- Forest products

Conservation Policies

- Use Value Appraisal
- Forestland conservation programs
- Working Lands Enterprise Initiative
- Act 171 of 2016 (24 V.S.A. Ch. 117)
- Climate Action Plan - *TBD*

Vermont Forest Action Plan (2017): https://fpr.vermont.gov/forest/vermonts_forests/action_plan

Vermont Forest Carbon Inventory (2021): <https://fpr.vermont.gov/forest/climate-change/forest-carbon>



Option 1: Prohibit Preferred Site Development at Forested Sites

- Modify definition of preferred site, e.g., *“Preferred Site” means a site that is not a forested site and is one of the following...*
 - Define “Forested Site”, e.g., *“Forested Site” means a contiguous area of forest in any stage of succession and not currently developed for nonforest use.*
 - Applies to Category II and III systems only—those systems that must be on preferred sites and benefit from siting adjustor
 - Could be targeted to specific preferred sites types
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Option 2: Prohibit Excessive Forest Conversion at Forested Sites

- Revise preferred site definition to prohibit “excessive forest conversion”
 - Define “excessive forest conversion,” e.g.,
 - “Excessive Forest Conversion” means forest clearing for the project in an amount greater than X acres.
 - “Excessive Forest Conversion” means forest clearing for the project in an amount greater than X times the area occupied by the energy generation component of the project.
 - “Excessive Forest Conversion” means forest clearing for the project that would result in a ratio of capacity, in kW, to acres of forest cleared that is lower than X:1.
 - Applies to Category II and III systems only; could be targeted to specific preferred site types
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Option 3: Repeal Joint Letter or Enact Standards Requiring Consideration of Forest Impacts

- Draft potential changes to Net-Metering Rule would repeal joint letter option
 - 70% of forest conversion proposed since 7/1/17 occurred at preferred site 7
 - Commission solicited comment on standards regional and local bodies should apply to determine whether a site should be designated as preferred
 - Standards could be applied related to forest impact, e.g.,
 - Shall not be a forested site; shall not result in excessive forest conversion
 - Shall be consistent with regional and local policies regarding forest blocks and habitat connectors
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Questions

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