

**STATE OF VERMONT
PUBLIC UTILITY COMMISSION**

Proposed Creation of Vermont Public Utility)
Commission Rule Concerning Energy Storage) Case No. 21-3883-RULE

COMMENTS OF THE VERMONT AGENCY OF NATURAL RESOURCES

The Vermont Agency of Natural Resources (“Agency”) files the following comments in response to the Public Utility Commission (“Commission”) Order Opening Rulemaking dated September 17, 2021 (“Order”).

Topic 1. Simplified Siting

Threshold. The Agency needs to better understand what a simplified application process would entail to comment more specifically on an appropriate threshold based on facility capacity. That said, the Agency’s experience has been that even projects with a small physical footprint could result in significant impacts to the natural environment.

While the battery storage area footprints for two projects recently reviewed by the Agency have been relatively small (approximately 0.23 acres) other necessary project components (access roads or interconnection lines) extended beyond those areas and necessitated natural resource assessments of approximately three and nine acres to evaluate the potential for both direct and indirect impacts. The Agency believes that for a simplified process to work effectively at any output capacity scale, it is important that an application contain the information necessary for the Agency to perform a substantive review. In this regard, it is critical that site plans submitted with applications detail all

project activities (including distribution upgrades¹) as well as all natural resource features located both within the physical footprint and clearing or disturbance areas as well as features located beyond those areas to ensure that nearby resources are adequately buffered from such activities (e.g., wetland buffers, deer wintering area buffers, etc.).

Additionally, when storage facilities are proposed separately from companion co-located generation facilities the environmental impacts should be evaluated in aggregate between the two facilities. This should include instances of “retrofitting” existing projects as discussed further below.

Conditional waivers. The Order suggests that several criteria under 30 V.S.A. § 248 could be conditionally waived, in part, based on the Commission’s comparison between the footprints of energy storage systems (smaller) and solar generation systems (larger) of similar outputs. It would be helpful for the Agency if the Commission identified what particular criteria it was thinking of when writing the Order, and whether these include any criteria related to the natural environment. As stated above, even “small footprint” projects can result in substantial natural resource impacts.

Application materials. As stated above, it is critical that a comprehensive site plan which depicts all nearby natural resource features be included in an application. In addition, the Agency believes that a natural resources assessment prepared by a qualified person which explains the investigation and evaluation process utilized to support

¹ The Agency notes that any efficiencies that may be gained through a simplified siting process can quickly be lost when the need arises to request missing information which should have been included with an application. The Agency raises this point here, in part, because it is currently reviewing two new solar electric generation facility petitions (for standard offer projects), each which require distribution upgrades for which no natural resources assessments have been provided. Because some resources may only appropriately be evaluated during certain seasons, the inability to process such applications in a simplified manner under these circumstances becomes real, thus potentially defeating the purpose of a simplified process.

conclusions, rather than merely offering conclusory statements, is necessary for an application to present a level of completeness which makes it ready for a substantive review.

Retrofitting. At this time, the Agency does not see how a different list of applicable § 248 criteria would enable a sufficient review, at least with regard to natural resource impacts. Even where all “retrofitting” is confined to within an existing project’s footprint, there is the potential for construction activities to result in indirect impacts beyond that area. Also, retrofitting may result in a cumulative increase in impacts which would then require certain measures be taken to address potential effects (e.g., increase in impervious surface area beyond the one-acre permitting threshold). For such reasons, the Agency believes it is necessary for the Commission to consider cumulative impacts.

Comments deadline. The Agency would require a minimum of 30 days to file comments.

Topic 3. Role of Energy storage.

Carbon impact. The Agency believes that it is appropriate to consider the carbon impacts associated with storage projects with the goal of ensuring that projects maximize their potential for carbon reductions.

The Agency is aware that the Department’s view is that while it is possible for energy storage to increase carbon emissions, current market dynamics suggest it is more likely that storage projects will decrease carbon emissions. The Agency agrees with this analysis; however, recommends the Commission monitor the issue to ensure that broad deployment of storage does not undermine progress on the State’s GHG reduction goals as market dynamics may shift in the future.

Beyond the carbon impacts of storage operation, siting decisions can also affect carbon intensity. Locating storage at sites that require significant tree clearing and earth disturbance, when sites that require less of those activities are reasonably available, will result in an unnecessary increase in embodied carbon emissions and should be avoided.

Dated December 16, 2021, at Waterbury, Vermont.

Respectfully submitted,

State of Vermont
Agency of Natural Resources



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