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Deborah New
96 Aiken St, Apt. 203
South Burlington, VT 05403
debbienew2@gmail.com

James A. Dumont, Esq.
PO Box 229
Bristol, VT 05443
dumont@gmavt.net

Re: Case No.24-3460-INV, Investigation into Thermal Energy Exchange Networks Pursuant to Act 142 of 2024

Dear Chairman McNamara and Members of the Commission:

The following information and answers to questions from the Commission are compiled by James Dumont and Debbie New, informed by expertise on policy and regulation for Thermal Energy Networks (TENs) from Jared Rodriguez and Mark Kleinginna of Emergent Urban Concepts.

Collectively, we are tracking TENs developments nationally, participating in work regarding how utility TENs should be regulated in order to create a fair market and an even playing field for all TENs, whether owned and operated by municipalities, cooperatives, private companies, or distribution utilities. We appreciate that the Commission is producing this study and hope that the Commission will use its authority and its report to ensure that TENs are least cost energy alternatives in Vermont.

Municipal TENs projects already being planned in Vermont (as well as both operating and in development elsewhere) are more likely to offer lowest-cost results and provide important examples to inform regulated TENs. Use of waste heat where available, prioritizing mixed-use development to balance thermal loads, and other cost-saving measures are among the learnings available through case studies of locally-governed TENs. At the same time, because Act 142 already authorizes municipal and other locally-governed TENs and places them outside the Commission's jurisdiction, we hope that the Commission will not seek to revise the balance struck by Act 142.

As the draft bill and March comments that we submitted address many of the Commission's questions, we point to those materials where they apply.

Siting authority

1. Should the permitting of thermal energy networks be subject to review under 30 V.S.A. §248, Act 250, or local/municipal zoning?

A § 248 permit should be required for TENs proposed by distribution utilities. Expedited review, similar to review under § 248(j), should be applied to projects unless the Commission finds a need for more in-depth review. Like any other § 248-jurisdictional project, the PUC's jurisdiction should supplant Act 250 and local zoning. Our submission dated March 3, 2025 sets forth proposed statutory language.

Act 142 placed municipal TENs providers and entities that provide TENs service to themselves and/or their members outside of the Commission's jurisdiction. Act 142 did not alter zoning or Act 250 jurisdiction; therefore, non-PUC-jurisdictional TENs providers, such as municipalities, may be subject to Act 250 or local zoning, depending on the facts of each project. We believe Act 142 achieved the right balance and hope that the Commission does not ask the legislature to revisit this issue.

To summarize: §§ 203, 231 and 248 should be amended to treat distribution utility TENs the same as other distribution utility energy facilities, preempting Act 250 and local zoning, while Act 142 should continue to govern municipal and other TENs services provided to TENs owners, keeping them outside of Commission jurisdiction, but subject, where applicable, to Act 250 and local zoning.

2. If you suggest that the Commission should issue certificates of public good under Section 248, please respond to the following.

a. When should a thermal energy network be subject to Commission review?

As covered in the Dumont/New draft bill language in our March 3, 2025, submission, TENs proposed projects presumptively should receive light review and a permit without a hearing. As with any other PUC jurisdictional entity, a TENs provider's rates would be subject to the existing statutory rate process. Rates are not reviewed at the time an electric generating or gas or electric transmission facility is approved under § 248 and, likewise, should not be reviewed as part of a TEN project's § 248 project approval. This comes later and is already addressed by the existing statutory scheme.

To ensure clarity for all participants, standard permit conditions could state that Commission approval of rates will be required, that Commission rules governing disconnection must be adhered to, etc.

b. Regarding notice,

ii. which people, entities, and government agencies should receive notice of a Section 248 application for a thermal energy network? Please explain.
ii. should there be advance notice and notice of complete applications?
iii. which people, entities, and government agencies should be automatic parties, parties as of right (using, for example, a notice of intervention), and parties that must seek intervention?

Notice for TENs should be the same as the § 248(j) process. As our March 3, 2025 submission sets forth, § 248(a) should be modified to include TENs as § 248 jurisdictional. If this is done, the 248(j) process would be applicable to TENs with slight modification of subsection (j) as highlighted below:

(j)(1) The Commission may, subject to such conditions as it may otherwise lawfully impose, issue a certificate of public good in accordance with the provisions of this subsection and without the notice and hearings otherwise required by this chapter if the Commission finds that:

(A) approval is sought for construction of a facilities described in subdivision (a)(2) or (3) of this section;
(B) such facilities will be of limited size and scope or are a TEN;
(C) the petition does not raise a significant issue with respect to the substantive criteria of this section; and
(D) the public interest is satisfied by the procedures authorized by this subsection.

(2) Any party seeking to proceed under the procedures authorized by this subsection shall file a proposed certificate of public good and proposed findings of fact with its petition. Within two business days of notification by the Commission that the filing is complete, the party shall serve copies of the complete filing on the parties specified in subdivision (a)(4)(C) of this section and the party shall give written notice of the proposed certificate and of the Commission's determination that the filing is complete to those parties, to any public interest organization that has in writing requested notice of applications to proceed under this subsection, and to any other person found by the Commission to have a substantial interest in the matter. The notice shall request comment within 30 days of the date of service of the complete filing on the question of whether the petition raises a significant issue with respect to the substantive criteria of this section. If the Commission finds that the petition raises a significant issue with respect to the substantive criteria of this section, the Commission shall hear evidence on any such issue.

c. Should all Section 248 criteria apply? If so, please explain the applicability of each criterion. If not, which of the criteria should be waived and why?

The same criteria should apply with the appropriate modifications as set forth below.

We propose adding "and/or will enhance electric system stability and reliability" to #3. The question of grid stability and reliability can be a plus for a project, not just a potential minus. We also propose adding "or a TEN" to #7 as highlighted below because TENs are not electric generation facilities.

(b) Before the Public Utility Commission issues a certificate of public good as required under subsection (a) of this section, it shall find that the purchase, investment, or construction:

(1) With respect to an in-state facility, will not unduly interfere with the orderly development of the region with due consideration having been given to the recommendations of the municipal and regional planning commissions, the recommendations of the municipal legislative bodies, and the land conservation measures contained in the plan of any affected municipality. However:

(A) With respect to a natural gas transmission line subject to Commission review, the line shall be in conformance with any applicable provisions concerning such lines contained in the duly adopted regional plan; and, in addition, upon application of any party, the Commission shall condition any certificate of public good for a natural gas transmission line issued under this section so as to prohibit service connections that would not be in conformance with the adopted municipal plan in any municipality in which the line is located.

(B) With respect to a ground-mounted solar electric generation facility, the facility shall comply with the screening requirements of a municipal bylaw adopted under 24 V.S.A. § 4414(15) or a municipal ordinance adopted under 24 V.S.A. § 2291(28), and the recommendation of a municipality applying such a bylaw or ordinance, unless the Commission finds that requiring such compliance would prohibit or have the effect of prohibiting the installation of such a facility or have the effect of interfering with the facility's intended functional use.

(C) With respect to an in-state electric generation facility, the Commission shall give substantial deference to the land conservation measures and specific policies contained in a duly adopted regional and municipal plan that has received an affirmative determination of energy compliance under 24 V.S.A. § 4352. In this subdivision (C), "substantial deference" means that a land conservation measure or specific policy shall be applied in accordance with its terms unless there is a clear and convincing demonstration that other factors affecting the general good of the State outweigh the application of the measure or policy. The term shall not include consideration of whether the determination of energy compliance should or should not have been affirmative under 24 V.S.A. § 4352.

(2) Is required to meet the need for present and future demand for service that could not otherwise be provided in a more cost-effective manner through energy conservation programs and measures and energy-efficiency and load management measures, including those developed pursuant to the provisions of subsection 209(d), section 218c, and subsection 218 (b) of this title. In determining whether this criterion is met, the Commission shall assess the environmental and economic costs of the purchase, investment, or construction in the manner set out under subdivision 218c(a)(1) (least cost integrated plan) of this title and, as to a generation facility, shall consider whether the facility will avoid, reduce, or defer transmission or distribution system investments.

(3) Will not adversely affect system stability and reliability and/or will enhance electric system stability and reliability.

(4) Will result in an economic benefit to the State and its residents.

(5) With respect to an in-state facility, will not have an undue adverse effect on aesthetics, historic sites, air and water purity, the natural environment, the use of natural resources, and the public health and safety, with due consideration having been given to the criteria specified in 10 V.S.A. §§ 1424a(d) and 6086(a)(1) through (8) and (9)(K), impacts to primary agricultural soils as defined in 10 V.S.A. § 6001, and greenhouse gas impacts.

(6) With respect to purchases, investments, or construction by a company, is consistent with the principles for resource selection expressed in that company's approved least-cost integrated plan.

(7) Except as to a natural gas facility that is not part of or incidental to an electric generating facility or a TEN, is in compliance with the electric energy plan approved by the Department under section 202 of this title, or that there exists good cause to permit the proposed action.

(8) Does not involve a facility affecting or located on any segment of the waters of the State that has been designated as outstanding resource waters by the Secretary of Natural Resources, except that with respect to a natural gas or electric transmission facility, the facility does not have an undue adverse effect on those outstanding resource waters.

(9) With respect to a waste to energy facility:

(A) is included in a solid waste management plan adopted pursuant to 24 V.S.A. § 2202a, which is consistent with the State Solid Waste Management Plan; and

(B) is included in a solid waste management plan adopted pursuant to 24 V.S.A. § 2202a for the municipality and solid waste district from which 1,000 tons or more per year of the waste is to originate, if that municipality or district owns an operating facility that already beneficially uses a portion of the waste.

(10) Except as to a natural gas facility that is not part of or incidental to an electric generating facility, can be served economically by existing or planned transmission facilities without undue adverse effect on Vermont utilities or customers.

(11) With respect to an in-state generation facility that produces electric energy using woody biomass, will:

(A) comply with the applicable air pollution control requirements under the federal Clean Air Act, 42 U.S.C. § 7401 et seq.;

(B) achieve the highest design system efficiency that is commercially available, feasible, and cost-effective for the type and design of the proposed facility; and

(C) comply with harvesting procedures and procurement standards that ensure long-term forest health and sustainability. These procedures and standards at a minimum shall be consistent with the guidelines and standards developed pursuant to 10 V.S.A. § 2750 (harvesting guidelines and procurement standards) when adopted under that statute.

d. Should new criteria be added specific to thermal energy networks? For example, the Department's comments reference the development of guidelines for best practices in the development of thermal energy networks. Should such best practices be part of the Commission's evaluation of whether a thermal energy network receives a certificate of public good?

Yes. See the above draft. We propose adding "and/or will enhance electric system stability and reliability" because the impact on grid stability and reliability can be a plus for a TEN project, not just a potential minus.

Best practices should be addressed by standard permit conditions that are best developed during rulemaking and case-by-case development, not during drafting of a statute. Our March 3, 2025 letter lists proposed subjects for rulemaking such as this.

e. Would it be appropriate for applicants to pay a fee under Section 248c to support the role of the Commission (and any other State agencies) in reviewing applications? If so, how should the fee be calculated?

The draft bill we submitted as part of our March 3, 2025 comment amends § 203 to treat TENs providers like electricity and gas service providers. If this were adopted, PUC-jurisdictional TENs providers would be subject to a gross revenue tax of .0006 under 8 VSA § 22. Section 248c governs fees for § 248 applications, but exempts entities that pay the tax under 8 VSA § 22. The proposed amendment to § 203, therefore, would exempt TENs applicants from the fee imposed by § 248c.

3. Should the application process and requirements mirror net-metering, Section 248(j), or Section 248? In providing a response, please reference, if possible, the provisions of Commission Rules 5.100 and 5.400, as relevant. If possible, please describe the form and contents of an application.

Our draft bill suggests 248(j). The Commission may issue a CPG by a expedited process if they find that limited size, scope, and public interest are satisfied.

For rulemaking, we recommend that whenever a CPG is issued under 248(j), standard conditions should include the Issues for Subsequent Rulemaking detailed in our March 3, 2025, comments:

> Issues for Subsequent Rulemaking
>
> A. Open Access. An important issue to address in rulemaking is the need to ensure that regulatory frameworks impose open access common carrier principles. For example, the following measures that have been developed for thermal energy networks (TENs) in the New York rulemaking:
>
> > a. Establish a clear legal and regulatory classification for TEN distribution operators to ensure standardization and oversight, and interaction with entities exempt from regulatory oversight such as municipalities.
> > b. Require TEN infrastructure to operate on a non-discriminatory basis, allowing third-party thermal energy providers and customers to connect freely.
> > c. Create a thermal energy tariff structure by developing standardized pricing models that ensure fair access to TEN infrastructure while promoting cost recovery and investment.
> > d. Enable market competition to allow independent third-party thermal energy providers (e.g., waste heat recovery facilities and geothermal operators) to sell thermal energy to customers through TENs.
> > e. Permit and support infrastructure cost-sharing and develop shared financing mechanisms to distribute infrastructure costs fairly among utilities, third-party providers, and customers.
> > f. Establish interconnection standards by defining technical requirements for third-party thermal energy resource providers to connect to TENs.
> > g. Ensure that TENs function similarly to open-access electric and gas grids, allowing multiple providers, marketers, and off-takers to use the network.
> > h. Set quality and reliability standards by requiring TENs operators to maintain reliable temperature and pressure levels, similar to how electric and gas utilities ensure supply and delivery (voltage and pressure) stability for customers and suppliers.

i. Ensure cost transparency and mandate clear and public pricing for access to TEN infrastructure and services.
j. Facilitate Public-Private Partnerships and encourage collaboration between utilities, private developers, and municipalities to expand TEN deployments.

B. Rate base issues. The question of whether and in what circumstances to allow a distribution utility to fund TEN investment using their preexisting rate base is an important but complicated one that has direct impact on TENs best practices, least-cost TENs development, and energy affordability. This requires careful examination during rulemaking conducted within the principles of good utility practice around conventional ratemaking principles.

C. Integration into Least Cost Planning. Rules should address how TENs are incorporated into least-cost planning, including but not limited to incorporation into utility Integrated Resource Plans (IRPs).

D. Incentives for Demand Response and Grid Interactivity. Rules may address whether and how TENs providers are compensated by electric utilities, transmission providers, or the ISO for reduced peak power consumption, demand, and other ancillary services.

4. Should there be an opportunity for site visits and public hearings in thermal energy network proceedings?

We see no reason to treat TENs differently than other § 248-jurisdictional projects.

Section 231

5. Vermont utilities must obtain a certificate of public good under 30 V.S.A. § 231. If a Vermont utility with an existing Section 231 certificate of public good were to propose owning and operating a thermal energy network, would an amendment to the certificate be required?

Our proposed bill, submitted in our March, 3, 2025 comment, distinguishes between a Section 248 permit for a particular project and a CPG to function as a utility under Section 231:

- If a distribution utility already has a § 231 certificate, they can apply for a § 248 permit for a project.
- If an entity that lacks a § 231 CPG and is not exempt under Act 142 wishes to construct and operate a TEN, they would have to get § 231 CPG, and then a § 248 permit for a particular project.

6. Would an owner of a private- or cooperative-owned thermal energy network be required to obtain a Section 231 certificate of public good to own and operate a thermal energy network?

Act 142 answers these questions. A cooperative that provides TENs service to its members, any entity (such as a college) that provides TENs service to itself, and any municipality is exempt from PUC jurisdiction.

A cooperative that wishes to provide service to non-members would have to obtain a § 231 CPG and a § 248 permit for its project.

7. The Department suggests that performance requirements should be imposed on thermal energy network operators. How would these performance requirements be implemented?

The TEN entity should file design and operating data with the Department on an annual basis to ensure proper performance of the network. Performance requirements would be determined via collaboration by staff engineers and other interested stakeholders and reviewed every five years to ensure relevance and accuracy. This would be one of many potential standard conditions to adopt during rulemaking.

Financing and rate regulation

8. Should Vermont distribution utilities be permitted to own and operate thermal energy networks?

No legitimate developer should be excluded from TENs development, but no developer should have the unfair advantages associated with distribution utilities. Some of these concerns were raised by the Commission in its rulings on Vermont Gas Systems' proposed geothermal facility at the Rutland Regional Medical Center, *Vermont Gas Systems, Inc., Rutland Regional Medical Center Geothermal Project*, Docket No. 22A-4238, Commission Objection to Vermont Gas's Project 11/15/22, Order Denying Motion to Reconsider 12/22/22. Primarily:

> "There are limitations to what VGS can implement in this space where these projects are funded above-the-line by ratepayers. Monopoly distribution utilities enjoy a number of market advantages that can stifle competition. It is one role of regulators to ensure that utilities and private entities can compete toe-to-toe in a fair market for non-monopoly services and products within a monopoly energy-delivery territory. Under robust and mature market conditions, monopoly distribution utilities, such as VGS, should be expected to move competitive services "below-the-line"—for example, by creating a separate, unregulated business unit to compete on equal terms with independent providers.[4] VGS cannot use monies collected from ratepayers through tariffed rates to test its innovative services exclusively on noncustomers or entities outside of its current natural gas footprint—in this case, in Rutland— when there is not a nexus between that service or technology and ratepayer benefits.[5] Allowing VGS to do so would defy the terms of the ARP and fundamental aspects of monopoly utility regulation. The Project as proposed is such a pilot."

Moreover, in a broad sense, as we consider distribution utility ownership and operation of TENs, the Commission should adhere to the following principles:

- A utility's rate base must not be allowed to be co-mingled. The co-mingling of rate bases (which allows the utility to recover costs from a TEN from non-TEN captive customers) grants an unfair competitive advantage to the gas or electric distribution company. A potential outcome would be that lower TENs development costs due to TENs cost recovery from non-TENs customers would allow the distribution utility to engage in price predation and thereby reduce or eliminate competition in the market. Once a TEN is built, there will be no need for competition any more. and the TEN rates will increase.
- There must be no presumptive franchise for a distribution utility to exclusively develop a thermal utility. The presumptive franchise will stifle competition and chill the market, allowing for non-competitive and therefore more costly solutions.
- Any funds used by a distribution utility which come from ratepayers to develop TENs must be subject to open, transparent bidding to all potential developers to ensure a level playing field and to avoid stifling competition, which ensures least cost and most efficient TENs development.

9. Please provide rules, guidelines, or decisions from other jurisdictions regarding the use of electric or gas ratepayer dollars to support the development of thermal energy networks.

Certain states have allowed gas utilities to recover costs of pilots (with strict regulatory review) using the gas rate base.

As pilots sponsored by distribution utilities are well underway in other states in terms of learnings and are completely transparent in terms of a record, it is not likely that any further information will be gained by distribution utility pilots in Vermont. The technology is proven. Spending ratepayer money to fund the development of TENs for the gas or electric utility is not likely to provide incremental learnings.

If Vermont were to allow for ratepayer dollars to support the development of TENs, it would be best spent in the effort to develop TENs by municipalities, cooperatives, or public authorities, adding to the knowledge base for governments and industry. Any ratepayer dollars deemed necessary to be spent in the support of TENs should proceed only with a level playing field associated with obtaining these funds; i.e., there should be no presumptive right for the distribution utility to develop TENs even if ratepayer dollars are used.

10. Under what circumstances, if any, would it be appropriate for Vermont ratepayers to support the development of thermal energy networks?

Please see our answer above to question 8, discussing *Vermont Gas Systems, Inc., Rutland Regional Medical Center Geothermal Project*, Docket No. 22A-4238, Commission Objection to Vermont Gas's Project 11/15/22, Order Denying Motion to Reconsider 12/22/22.

We recommend that any funds used by a distribution utility which come from ratepayers to develop TENs are subject to transparent bidding open to all potential developers in order to ensure a level playing field and not stifle competition, ensuring least cost and most efficient TEN development.

a. Would thermal energy network investments qualify under Tier 3 of the Renewable Energy Standard?

Yes. TENs reduce fossil fuel use by customers of distribution utilities; therefore, they qualify under Tier 3. TENs also reduce peak demand in winter and summer, add resiliency, and mitigate bottlenecks.

b. For gas utility investments, would it be appropriate to evaluate the use of ratepayer funds using a social cost of carbon or similar screen?

We believe a reasonable response to this question has to be both affirmative and negative. The Commission has already used the social cost of carbon as a metric to evaluate a § 248 proposal. *Petition of Vermont Gas Systems pursuant to 30 V.S.A. § 248(i) for approval of an out-of-state renewable gas purchase contract with a term exceeding five years*, Case No.22-2230 (11-8-22) *aff'd*, *In re Vermont Gas Systems, Inc.*, 2024 VT 2, 218 Vt. 587. Clearly, the social cost of carbon is one metric that should be applied to any distribution utility TEN project.

However, TENs add significant value to ratepayers and to the state as a whole <u>in addition to</u> reduction of greenhouse gasses. These values include but are not limited to the reduction of peak demand, resiliency, and mitigation of distribution bottlenecks. Use of the social cost of carbon would not suffice as a screening tool. (Note: The consultants who advise us believe that in the near future ISO-NE will place a capacity market value on TENs as a nondispatchable passive demand resource, which will reflect some of these added values.)

11. The Department of Public Service suggests that "The ability for regulated utilities to demonstrate the net benefits that prospective TEN projects could convey to their broader customer base depends on a robust, uniform societal and ratepayer cost-benefit framework against which projects can be evaluated on a case-by-case basis." Participants are requested to state whether they agree that regulated utility development of thermal energy networks should be evaluated using a robust, uniform societal and ratepayer costs-benefit framework. If so, should that framework be developed in this proceeding and submitted as part of the Commission's report, or would the framework be developed at some other time?

We agree with the Department's March 3, 2025, submittal that distribution utility development of TENs should be evaluated using a robust, uniform societal and ratepayer costs-benefit framework. As noted above, we believe the societal and ratepayer benefits include both reduction of greenhouse gasses and

other ratepayer and societal values that are not captured by the market value of reduced electricity usage or by the social cost of carbon. A robust analysis would include all of the costs and benefits.

Our research, the experience in other jurisdictions, and the opinions of the consultants we work with also lead us to urge the Commission to conclude that within this framework, if a distribution utility seeks to develop a TEN with ratepayer funds, then there should be an open and transparent bidding/procurement process to ensure that the best financial and societal outcome is obtained.

In addition, it would be useful to make explicit that existing distribution utilities should not be granted a presumptive franchise over any TEN service territory, regardless of whether ratepayer funds are to be used.

The cost/benefit analysis framework in theory could be developed in this proceeding, but we doubt that this could be achieved within the time constraints. Far more important is that the principles set forth above be recommended by the Commission for adoption by the General Assembly.

12. Please provide current examples from other jurisdictions of approved tariffs for thermal energy network tariffs.

No other jurisdictions have yet approved tariffs for TENs.

13. What sections of Title 30 of Vermont Statutes Annotated that apply to electric, gas, and water utilities should apply to the financing and rate regulation of thermal energy networks?

These changes are set forth in our March 3, 2025, submission.

14. Would it be appropriate for thermal energy networks subject to the supervision of the Department of Public Service and Public Utility Commission to pay a tax under 30 V.S.A. § 22 to support the work of the Department and Commission? If so, what would be an appropriate rate for that tax?

Our proposal amends Title 30 in such a manner that § 22 would apply and the .0006 x gross revenue rate would be triggered.

15. The Department of Public Service suggests that "[r]ate design and structure for [thermal energy networks] owned and operated by municipalities would be managed at the local level. Any changes in rates would be made by locally elected officials . . .[t]herefore the Department suggests that public [thermal energy networks] should be regulated in a similar manner as Vermont's public

water and sewer services." Participants are requested to state whether they agree with the Department's suggestion, and if not, their reasoning.

Act 142 already disposes of this issue. We do not believe that the Act should be changed.

16. The Department of Public Service suggests that, due to initially high up-front costs of developing thermal energy networks, a "development authority could be established in Vermont to gain [thermal energy network] market insights on pricing, business models, and [thermal energy network] designs that could then be shared with instate stakeholders." Participants are requested to comment on whether the creation of a development authority would be helpful. If so, would it be housed in an existing institution (such as a State agency) or a newly created public or private entity, and what monies would be used to fund the authority and the projects that it would support?

We agree with the Department that a TENs development authority should be established in Vermont. Our work with municipalities underscores the need for this kind of support for TENs, particularly where there are existing municipal utilities that could significantly benefit from TENs development to better manage electric demand.

How this entity is created, housed, and funded requires input from state agencies, regional planners, economic development entities, municipal leaders, and others with an interest in TEN development across Vermont. This exploration would also benefit from information collected from approaches to TEN development in other states as well as Vermont's experience with similar (though also importantly different) development such as broadband.

TENs themselves make the most sense when they fit in with projects and development already planned or needed. Similarly, many of our comments on utility TENs regulation are based on processes that are already in place. A statewide entity to support TEN development will be most efficient when informed first by what's already established and proven to work in Vermont. As one stakeholder, we welcome the opportunity to learn from others and to contribute our experiences and observations.

17. How should environmental justice and service to low- and moderate-income customers/communities be considered in the development of regulations for thermal energy networks?

TENs are particularly useful for large-scale housing development in town centers and cities, including for low and moderate income housing. TENs are least likely to be useful for upper-income, suburban-style development and for rural homes. By its nature, PUC fostering of TENs by providing a streamlined approval process such as § 248(j) will support low-income and moderate-income housing.

Statutory definitions and language

18. Vermont Gas suggested that "the Commission analyze the definitions prescribed by the General Assembly and make recommendations for when regulation would be appropriate and when it would not." Vermont Gas and other participants are invited to identify relevant statutory definitions and propose changes for the Commission to consider as part of its development of the report.

Please see our March 3, 2025 submission.

19. The comments from Deborah New and James A. Dumont recommend several changes to Title 30. Please provide any responses to this proposed language.

N/A

20. Please offer any alternative or additional proposed statutory language.

None.

Conclusion

We appreciate and are encouraged by the Commission's thoughtful questions, and we hope that our responses are helpful.

/s/ Deborah New
Deborah New

/s/ James A. Dumont
James A. Dumont, Esq.