

Mad River Valley Renewable Energy Series

Presented by the [Mad River Valley Planning District](#) with support from the [Vermont Energy Climate Action Network](#)

Part 3 of 5: Financing Energy and Vermont's Energy Plan

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Big Picture Theater, Waitsfield, VT

Summary by Vickie Trihy

Financing Residential Energy Efficiency in Vermont, presented by Marianne Tyrrell, Esq.,
Fellow at VT Law School

Despite the fact that most Vermonters are aware of the financial and environmental advantages of making residential energy efficiency improvements, surprisingly few of them have implemented such improvements. A study by [Vermont Law School's Institute for Energy and the Environment](#), *Financing Residential Energy Efficiency in Vermont*, concluded that more people would do so if the process were simpler, better financing options were available, and the monetary value of the improvements was more evident.

Organizations such as [NeighborWorks of Western Vermont's H.E.A.T. Squad](#) have been very successful at coordinating a seamless upgrade process and helping homeowners decide to make recommended energy efficiency improvements. Financing options that are or will be available include unsecured, rapid approval loans and PACE programs (covered in next presentation). Communities can help facilitate lending by creating loan loss reserve funds or revolving loan funds. Utilities are working on plans for providing financing for improvements and adding the monthly repayment amount to the customer's energy bill.

The value of energy improvements could be made more tangible by having an energy efficiency component on home appraisals and requiring efficiency disclosure at the time of sale.

Implementing PACE 2.0 in Vermont, presented by Peter Adamczyk, Energy Finance & Development Manager with [VT Energy Investment Corporation](#) (VEIC)

Property Assessed Clean Energy (PACE) provides money for energy efficiency and renewable energy improvements for residents, funded by taxable municipal bonds. These energy assessments are repaid on the homeowner's property tax bill. They transfer to new owners when the property is sold. If the annual assessment is not paid, it becomes a lien on the property. Participants in the program would be required to pay into a loss reserve account to offset unpaid assessments.

Waitsfield is one of the towns receiving free "quick start" implementation assistance for this new program, which would need to be voted on at Town Meeting. If the town votes to create its own PACE district, VEIC can be contracted to administer the program for the town.

Vermont's Comprehensive Energy Plan (CEP), presented by Elizabeth Miller, Commissioner of [VT Department of Public Service](#)

The CEP addresses Vermont's energy future for electricity, thermal energy, transportation, and land use. Town Plans are expected to reflect the policies and goals defined in the State's energy plan. The purpose of the CEP is to ensure that the state can reliably meet its future energy needs in a manner that is affordable, efficient, and environmentally sound.

The State's energy usage is roughly one-third transportation, one-third thermal, and one-third electricity. One goal in the plan is to use more renewable energy in all three energy sectors. The State has made strides toward getting more of its electrical energy production from renewable sources, but only 5% of the energy used for heat and transportation in Vermont is derived from renewable sources.

The cost of electricity has risen more slowly than the rate of inflation, but the cost of fossil fuels has far outpaced it. Given that transportation is the second highest expense for most Vermont households, and it is the highest source of greenhouse gases, from an economic as well as environmental perspective it makes sense to increase the use of renewable energy for transportation.

Efficiency is a key element in the state's energy plan, and it supports programs for energy improvements to homes and businesses, as described in the two previous presentations. The CEP also includes smart growth land use policies to reduce the mileage Vermonters must travel to get to work, stores, and services, and preserve the rural character of the state.

The long-range goal for use of renewable energy is 90% by 2050. Meeting that goal will foster economic security and independence, safeguard our environment, drive innovation and jobs creation, and increase community involvement and investment.

The CEP can be found at vtenergyplan.vermont.gov. The deadline for public comment on this proposed plan is November 4th.