

Lake Champlain Regional Chamber of Commerce and GBIC Energy Position Statement

The cost of electricity, transportation and heating fuels, continues to increase, changing the way our members do business. According to our 2008 Member Survey, 31% of respondents reported an average increase of 10 to 20% in their energy costs (electricity, transportation and heating) over the past year while 28% of respondents reported a 20 to 50% increase in these costs over the same period.

Recently, Vermont has had the lowest electric rates in New England, which has provided our businesses with a competitive regional advantage. These low rates are the result of long term fixed price contracts with the Vermont Yankee Nuclear Plant and Hydro Québec. The Vermont Yankee contract expires in 2012 and the contracts with Hydro Québec begin to expire in 2015. A fundamental shift in energy production is underway. Coupled with the rising price of fossil fuel, the finite quantity available and the desire to reduce carbon emissions significantly, Vermont will need to make systemic changes in our approach to energy.

The Lake Champlain Regional Chamber of Commerce and GBIC recommend the following for maintaining Vermont's clean, low-cost power supply and for improving our environmental footprint:

Priorities:

1. Significantly scale back our reliance on foreign oil.
2. Ensure that reliable power, both intermittent and base load, is available at a reasonable price for all consumers.
3. Move Vermont toward a future that is based on maximizing a diversity of scale and power sources that are competitive and non-polluting. Examples to explore include wind, solar, hydro, methane and clean bio-alternatives.
4. Construct power generation projects that provide reliable and affordable energy while utilizing clean fuels and renewable source technologies.
5. Continue Vermont's efforts to increase the efficiency of energy use.
6. Ensure that a reliable transmission grid exists throughout the region.
7. Support the relicensing of Vermont Yankee as a bridge to the future and to allow time for competitive, new renewable resources to be developed.
8. Seek stable, predictable and competitive energy costs for individuals and businesses.

Strategies:

- Continue to provide information for businesses on ways to decrease energy use, develop a network to encourage information sharing between businesses on best practices and support businesses that work to reduce the energy use of the business and its employees.
- Develop a specific, expedited permitting process for in-state renewable energy, combined heat and power and transmission line projects if they can demonstrate an economic benefit to the state of Vermont or a region of the state.

- New strategically placed transmission lines and innovative grid technology could allow for more efficient use of future power sources.
- Invest in cost-effective in-state renewable energy projects that will have an economic benefit for Vermont.
- Encourage cost-effective renewable and efficiency investments through tax incentives or other market-based mechanisms.
- Encourage opportunities for in-state fuel production such as wood pellet and biodiesel.
- Enhance the state energy plan so that the state, communities, businesses and other interested parties can use the plan to make informed decisions.
- Promote a whole system approach to electric and fuel use in order to reduce consumption. Opportunities like traffic signal timing optimization, access to public transit, park and ride lots, bike lanes, development near existing infrastructure and denser development in town centers can reduce fuel use substantially. Barriers such as permitting, lack of funding and planning and lack of priority setting often prevent projects like these from moving forward.
- Fuel-switching, such as natural gas line expansion and the use of plug-in electric vehicles should be considered as part of a whole system approach.
- Encourage Vermont utilities to find or develop new out-of-state, clean, renewable power resources including large scale hydro power.
- Energy and transportation are regional problems that need region-wide resolutions rather than town by town solutions.
- Assuming that Vermont Yankee Nuclear Plant passes a safety and reliability assessment, support the relicensing of the plant until 2032 or until the power it produces can be replicated in a clean and cost-reasonable manner that provides base load reliability. Work with Vermont utilities to develop alternative sources to provide the State more power options when the license renewal expires with a preference for reliable and cost-effective renewable resources.

Approved by the Board of Directors of the Lake Champlain Regional Chamber of Commerce on October 15, 2008 and the GBIC Executive Committee on October 13, 2008.