

About VEIC

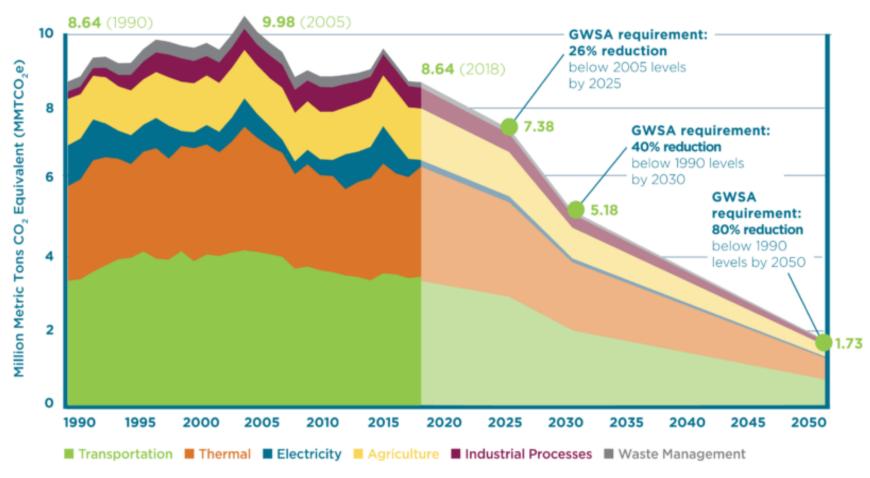


- Nonprofit founded in 1986 with a mission to generate
 the energy solutions the world needs
- Program administrator for Efficiency Vermont & the DC Sustainable Energy Utility; on administration team for TECH Clean California, Hawaii Energy, & Focus on Energy
- National consulting practice advising states, utilities, and businesses on decarbonization strategies



Meeting Ambitious Goals

Vermont's historical GHG emissions and future requirements

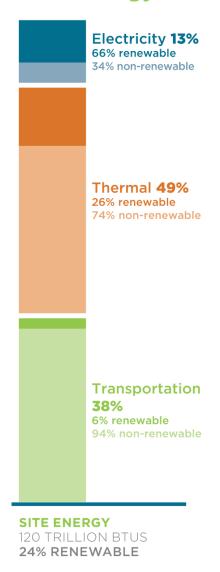


Source: Vermont Agency of Natural Resources, Vermont GHG Emissions Inventory and Forecast (1990-2017), 2021.

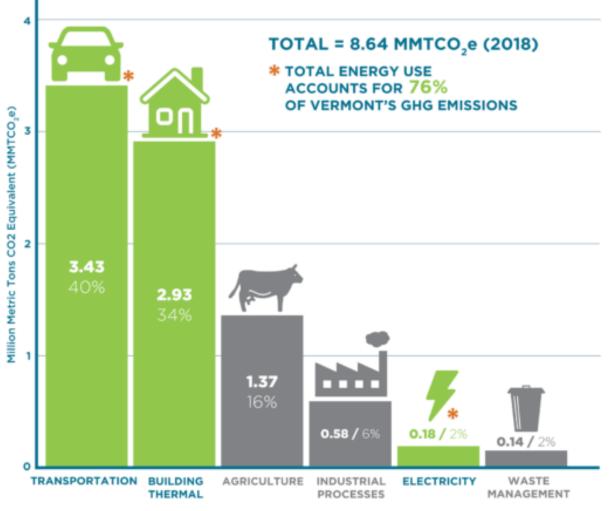


Importance of Thermal Energy

Vermont Energy Use



Vermont's GHG emissions by sector, 2018



Thermal Energy in Renewable Energy **Policy in** Vermont

Renewable Portfolio Standard

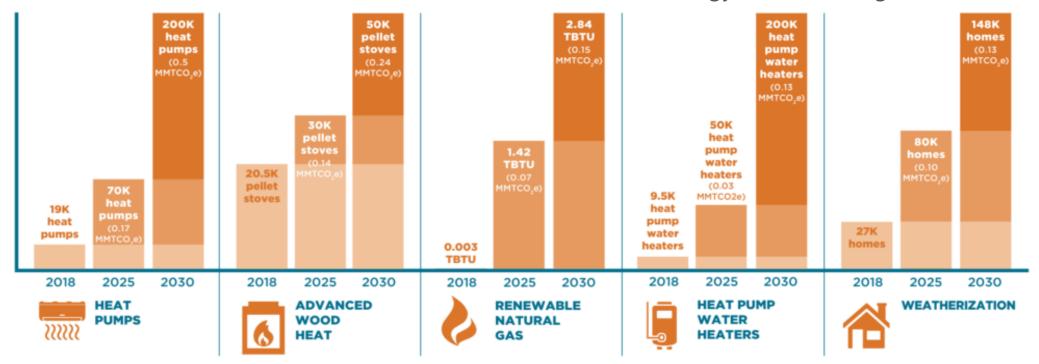
- Set on electric utilities
- Tier 1 and 2 focused on renewable power generation
- Vermont's Tier 3 for fossil fuel replacement
- Tier 3 is largely focused on electrification

Clean Heat Standard

- Concept Legislation from the Vermont Climate Council
- Passed House in March currently in the Senate
- Fossil heating fuel providers required to buy or create Clean Heat Credits

Integrated Approach for Thermal

Portfolio of Thermal Measures to meet Vermont's Energy and GHG Targets

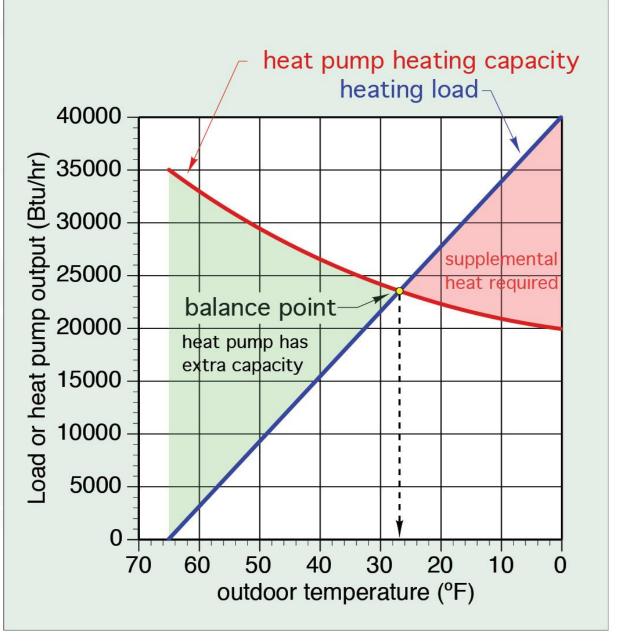


Source: EAN Emissions Reduction Pathways Model, 2021. Note: graph shows cumulative unit counts and is scaled based on unit count growth, not GHG reduction.

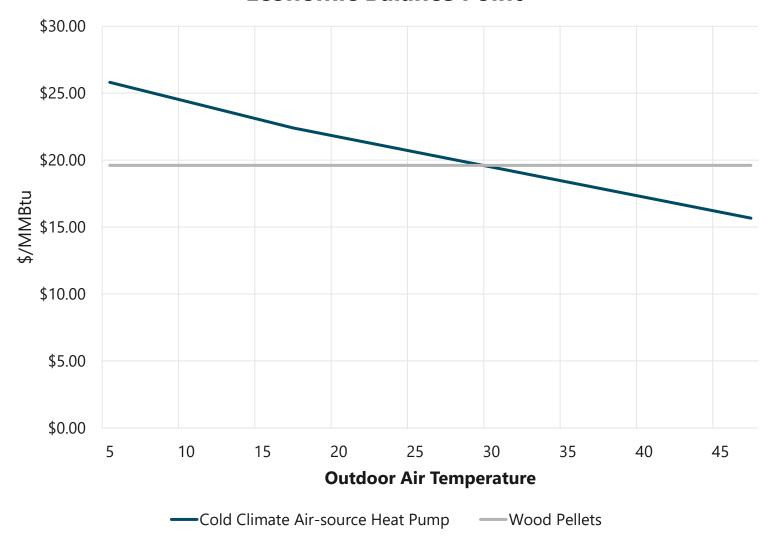
Not either this <u>OR</u> that. We need <u>"all the above"</u> Policies.



Heat Pump Performance and Need for Supplemental Heating in Cold Climates



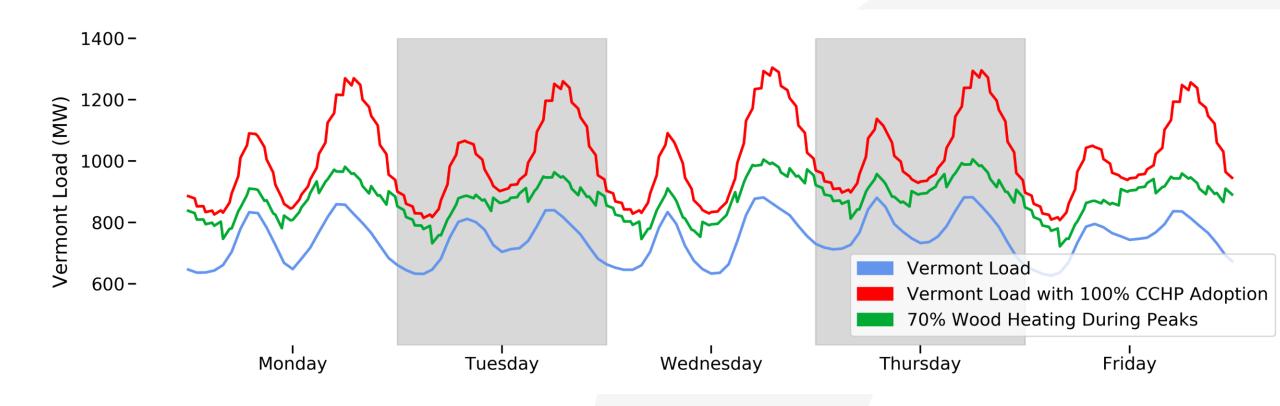
Economic Balance Point



Using Heat Pumps for Heating Fuel Displacement vs. Replacement

Assumes \$250 per ton for pellets and \$0.19/kWh electricity

Timing Matters *ISO-NE Grid Load Data for Vermont January 24th – 28th 2022*



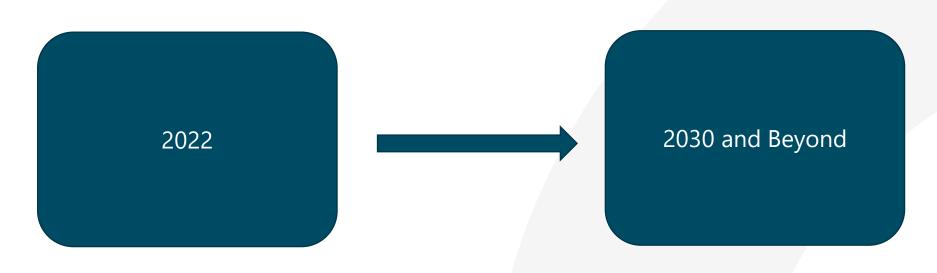




One cord of wood = 345 Telsa Gen2 PowerWall Batteries



Integrating Wood Heating with Building Electrification Strategies



Go further, faster with AWH toward electrification/decarbonization goals





Forest Resource Capacity

2018 study examined actively managed portion of forestland

Net Annual Growth of New Wood



Less the amount of wood currently harvested annually

= 1 million green tons of additional potential wood fuel supply

Program Strategies to Improve Air Quality

- Target replacement of aging fossil heating equipment
- Install "Best in Class" wood heat technology
- Aggregate heating loads via district piping
- Consistent use of specified fuels matched to the right equipment
- Boiler tuning and maintenance
- Thermal storage when appropriate
- System controls
- Back-end PM control equipment
- Appropriate stack location and height
- AND OFFER WOODSTOVE CHANGE OUTS

Air Quality Impacts of Boiler Fuel Switching & Stove Change-outs

