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Governor signs legislation to promote energy efficiency and clean energy for homes, farms and businesses

BURLINGTON - Gov. Peter Shumlin today signed into law three bills that will improve access to energy efficiency and clean energy for Vermonters. The legislative package will provide new financing options through VEDA and the Treasurer's Office for projects meeting state energy goals, make improvements to the state's thermal efficiency programs, and streamline the permitting process for farm digester projects.

The Governor signed the bill at the second annual Clean Energy Finance Summit at UVM, which he co-hosted with U.S. Sen. Bernie Sanders. The event also included U.S. Rep. Peter Welch and a keynote address by Dr. David Danielson, Assistant Secretary for Energy Efficiency and Renewable Energy at the U.S. Department of Energy.

"In Vermont we have led the nation with ground-breaking energy efficiency programs that help families and businesses save money while cutting carbon emissions and promoting economic development," Gov. Shumlin said. "Today, I am proud to sign legislation that will continue our progress on energy efficiency, and that creates new financing programs for the residential and commercial sectors. I am also pleased to sign a new law that will make it easier for farmers to install digesters that protect the environment and produce local clean energy."

"The Treasurer's Office partnered with the Governor, Legislators, VEDA, and our Local Investment Working Committee to create a cost-effective pathway to finance clean energy and energy efficiency projects at no risk to the taxpayer," said Treasurer Beth Pearce. "Commercial and residential groups may now finance these important projects while lowering the cost of capital. I am proud of our work to improve Vermont's energy future while supporting our local economy and creating jobs."

"The new Sustainable Energy Loan Program at VEDA will be a tremendous help to the many Vermont businesses and farms, large and small, that seek to invest in their energy futures in sustainable ways," said Jo Bradley, VEDA's Chief Executive Officer. "Over the years, VEDA has made a number of low-interest loans to support renewable energy and energy conservation projects, and we look forward to providing financing for many more such projects in the future. We sincerely want to thank the Administration, Legislative Leaders, State Treasurer Beth Pearce and our banking and economic development partners throughout Vermont for their assistance in getting this important legislation passed."

"We know that there is a significant opportunity through thermal efficiency to reduce fuel bills and energy consumption, and the new legislation and financing tools move us in the right direction," said Christopher Recchia, Commissioner of the Public Service Department. "I look forward to continuing work to develop long-term strategies and programs to help us reach our state goals, such as improving energy efficiency in 80,000 homes by 2020."

“We were pleased to work with VEDA in developing this program,” said Jim Merriam, Director of Efficiency Vermont. “The Vermont Sustainable Energy Loan Fund will address a very real need for businesses by enabling them to make investments that will decrease their energy bills and improve their bottom lines.”

The new financing law authorizes VEDA to borrow up to \$10 million from the State Treasury to establish a two new commercial sector loan programs and a new energy efficiency loan guarantee program. Additional funds for loss reserves will be provided by the Clean Energy Development Fund and Efficiency Vermont. The bill also provides \$6.5 million for residential efficiency loans through a program run by Vermont Housing Finance Agency. The loan programs leverage capital through a public-private partnership to help businesses save energy. The thermal efficiency law makes improvements to state building energy standards, including authorizing a more efficient “stretch code” for large residential developments that must comply with Act 250. The law also clarifies Vermont’s continued participation in the Regional Greenhouse Gas Initiative (RGGI), which will result in increasing revenue to Vermont to be dedicated to thermal efficiency programs. In addition, the law requires a Public Service Board report on options to improve thermal efficiency efforts, and makes changes to the Home Weatherization Assistance Program to prioritize assistance to LIHEAP recipients for buildings that are the least efficient.

The new farm digester law streamlines the process for farmers to install digesters by removing the non-energy producing portion of the project from the jurisdiction of the Public Service Board. The Board will retain jurisdiction over energy production from those digesters.