

**SPEED**

**Sustainably Priced Energy  
Enterprise Development Program**

**VEPP Inc.**

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**SPEED Facilitator**

**PSB Rule 4.300**

# SPEED Project

## The Right Project at the Right Time!

- Is located within Vermont
- Produces Renewable Energy (i.e. hydro, wind, biomass)
- Is a NEW generation project
  - can be expansion of existing project
  - or a project brought back into service after more than 5 years.

# A Brief History of Independent Power Production in Vermont

- Prior to 1940s Vermont was powered by hydroelectric generation
- 1940s to 1980 Generation developed and owned by Regulated Utilities with obligations to serve monopoly service territories  
**No access to Load for IPPs**
- 1979 PURPA – legalized electric generation by Independent Power Producers

- 1979-1982 Rule 4.100 - Vermont's answer to PURPA  
20-30 year fixed price contract- typ.  
10+¢/KWH - 75 MW constructed, about \$150 million in private capital.
- 1982-2005 **No access to Load for IPPs**
  - Global warming angst
- 2005-present
  - Increasing cost of fossil fuel based generation
  - Looming regional electricity capacity shortage
  - Termination of Vermont's large energy supply contracts

# Legislative and Regulatory Response

Act 61, adopted by Vermont Legislature

- Contingent renewable portfolio standard for Vermont
- Mandates **access to load** for IPPs  
see state statutes - VSA 30 §8001 and §8005

Rule 4.300 – Public Service Board

- Sets out rules for SPEED Development  
see website - [www.state.vt.us/psb/](http://www.state.vt.us/psb/)

# What can a SPEED Project expect to be paid

- Energy – 90-100% of hourly spot market price about 6-7¢/KWH

see website [www.iso-ne.com/markets/hrly\\_data/index.html](http://www.iso-ne.com/markets/hrly_data/index.html)

- Capacity - \$3.05/ KW-Mo. and rising  
equivalent to about 1/2¢/KWH for hydro
- Renewable Energy Credits – 3-5¢/KWH

# AVERAGE MARKET CLEARING PRICE ISO-NE Vt

