

Vermont Law School Energy Clinic



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**CENTER FOR AGRICULTURE
AND FOOD SYSTEMS**

**ENVIRONMENTAL AND NATURAL
RESOURCES LAW CLINIC**

**ENVIRONMENTAL TAX POLICY
INSTITUTE**

**INSTITUTE FOR ENERGY AND
THE ENVIRONMENT**

LAND USE INSTITUTE

**U.S.-CHINA PARTNERSHIP
FOR ENVIRONMENTAL LAW**

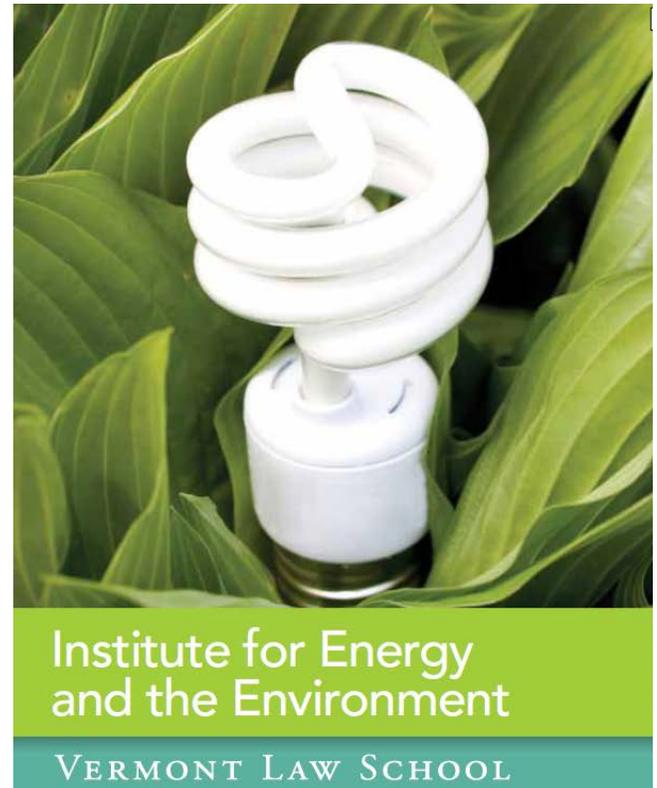
**WATER AND JUSTICE
PROGRAM**

Overview of Talk on Energy Clinic

- 1) Overview of Vermont Law School's Institute for Energy and the Environment
- 2) The Energy Clinic's Mission
- 3) What Does the Energy Clinic Do?
- 4) Fundamentals of Energy Law
- 5) Some Energy Clinic Projects
- 6) Questions

The IEE's Mission

1. to have fewer greenhouse gas emissions in 50 years because of the work we do today, and in 100 years because of the work our students do tomorrow
2. to be a world leader in Clean Energy law and policy.



The IEE Accomplishes Its Mission through

- 1) the development and delivery of the **energy law and policy curriculum** with a strong link to our environmental curriculum,
- 2) our research program which is modeled on the fundamentals of a **successful public policy consulting firm** and is focused on reducing the energy sector's impact on the global climate, and
- 3) mentoring and development of energy law and policy students as they **transition from the classroom to the workplace.**

Our Energy Law and Policy Degrees

1. Master of Energy Regulation and Law (MERL)
2. Joint JD/MERL
3. LLM in Energy Law

“At most schools that teach the subject, energy means oil and gas. At VLS we teach energy in the context of justice and the environment and what we want the world to be 50 years from now”

The IEE Research Associate Program

Our team of 20 students work 10 – 15 hours per week on client supported research on current issues related to energy law and policy. Includes:

- Participation on one of the IEE Research Teams.
- Fall, Spring and Summer Opportunities Available.



The Energy Clinic

Our team of 12-15 students work on client supported research on current issues related to community solar development and other alternative energy technologies.

- Fall, Spring and Summer Opportunities Available
- 4 or 6 credit experiential class (Summer 3 or 6)



Energy Clinic Mission

The Energy Clinic provides opportunities for students to progressively develop the knowledge, skills, and values integral to the practice of energy law and policy while helping our clients meet local energy needs with reliable, clean and affordable resources.

Energy Clinicians undertake energy projects that integrate doctrine, theory, and practice to resolve energy policy challenges in a sustainable and socially equitable manner for both the local community and the world.



WHAT DOES THE ENERGY CLINIC DO?

Practice energy law and policy:

- Gain a substantive understanding of renewable energy law and policy
- Help clients develop renewable energy projects
- Participate in regulatory and administrative process, permitting
- Help clients negotiate and draft legal agreements
- Participate in policy development and legislative process
- Transactional Clinic... The Clinic does not do litigation

MULTIDISCIPLINARY PRACTICE

- Environmental law
- Land use
- property law
- Tax law
- Municipal law
- Consumer protection
- Agricultural issues
- Statutory interpretation
- Civil and appellate procedure
- Administrative law
- Business formation
- Contract law
- Securities law
- Secured transactions
- Trust law
- Economic analysis
- Project finance
- Project management...

Key Themes at the Clinic

The Clinic is a mission driven organization:

- **Environmental Advocacy** – advance clean, sustainable energy solutions.
- **Social justice** – e.g. low income access to renewable energy, transparency in transactions and consumer protection.
- **Community** and the local economy.

Public Interest Lawyering

- Project/client selection determined by mission
- Serving the underrepresented voices and communities → need to go beyond traditional client/attorney relationship to be effective
- The Clinic's work includes traditional legal representation but also includes community organizing; policy analysis; legislative and administrative advocacy; economic analysis and project management (among others)

Energy Law is Multidisciplinary

- Admin law/regulatory process
 - Permitting renewable energy projects
 - Participating in regulatory process including policy setting and rule making
 - Drafting legal arguments
- Transactional law – commercial/corporate law
 - Negotiating and drafting legal agreements
 - Advising on business models, assessing financial benefits of projects.
- Environmental law and policy
- Tax law and securities law
- Litigation
 - Civil procedure and appellate procedure
- Federal, State, and Municipal law
- Knowledge of Engineering and Economics is also critical.

RENEWABLE ENERGY FOR BUSINESSES AND SMALL FARMS IN VT AND NH

- Micro-hydro project (1.5 kW) at a small farm in Danby, VT
- 150 kW community solar project located on a farm in Royalton



LOW INCOME SOLAR OWNERSHIP

- Low Income Solar Report – Identified barriers and solutions to low income solar ownership
- Mascoma Meadows 100 kW community solar project
- Replicating Mascoma Meadows project in other Resident Owned Communities across the nation
- Exploring alternative ownership models



FARM AND ENERGY INITIATIVE

- IEE collaboration with the Center for Agriculture and Food Systems
- Law and policy at the intersection between energy and agriculture
- Solar siting on farmland – balancing the need for renewable energy against preservation of prime agricultural land. Policy review, best practices, legislative change



POLICY DEVELOPMENT

- Assisting clients to propose legislation and regulatory rules for net metering reform
- Advising clients on consumer protection issues in energy transactions and filing comments to change rules relating to renewable energy certificates



Cuba Renewable Energy Study Tour 2017



Energy Clinic Key Themes

Renewable energy development involves many different stakeholders and interests, some compatible, some in conflict. A number of key themes guide the Clinic's project work, consistent with our Mission:

- Environmental Advocacy – clean, sustainable energy solutions.
- Social justice – e.g. low income access to renewable energy, transparency in transactions and consumer protection.
- Community and the local economy.

Energy Clinic Key Skills

- Our goal at the Clinic is to provide students with the opportunity to develop subject matter and professional skills including:
 - Develop substantive understanding of key concepts and issues in energy law and policy.
 - Become comfortable speaking about energy law and policy in a professional setting.
 - Refine your research and writing skills.
 - Get familiar with regulatory procedures.
 - Communicate with clients and other external parties.
 - Develop time and document management skills.

Professionalism and External Communications

- Professionalism:
 - Actions reflect positively on the Clinic, IEE, and VLS;
 - high quality work and thinking;
 - respectful communications; maintain confidentiality;
 - meet deadlines.
 - Rules of Professional Conduct, Rules 1.1 (Competence); 1.3 (Diligence); and 1.4 (Communications).
- External Communications :
 - All external communications must have your supervisor's prior approval.
 - Need to balance timeliness against the need for accuracy, professionalism, and confidentiality.
 - Ensure any communication that could reasonably be construed as containing legal advice has been vetted by a licensed attorney.

Our Community Solar Work

- Provides pro bono energy policy services to local communities
- Community Solar Outreach and Education
- Initial Consultation on Group Net Metering projects.
- Step-by-Step Advice on Community Solar Development



Solar Incentives and Financing Options are Plentiful

- 30% Investment Tax Credit Available
 - Just extended for Residential and Commercial Customers
- Vermont Solar Adder
 - Provides bill credit of 19 cents/kWh (extra penny <15 kW)
 - Guaranteed for 10 years (will increase with residential rate for 10 years and then likely be reduced)
 - Likely to be reduced for new installations after 2016
- Bank and Credit Union Financing Readily Available
 - Affordable rates with option to finance up to 100% of costs

Our Community Solar Vision

- Community Solar can bring the benefits of solar to more customers
 - Economy of Scale can make it more affordable.
 - Allows your solar panels to be located on a good site.
- Direct ownership of community solar array
 - Provides community control over land use and siting issues
 - Provides maximum economic financial benefits to community members
 - ITC, rate incentives, free solar following payoff
- Customer ownership of the environmental attributes (RECs) generated by the community solar array
 - Allows for the additionality of solar.
 - Reduces solar customers carbon footprint.

Clinic Resources for Community Groups

- 7 Steps to Community Solar Ownership
- Vermont Group Net Metering: Information & Guidelines for 150 kW (AC) Community Solar Projects
- Model Operating Agreement for Member-Managed LLC
- Model Land Lease Agreement

Model LLC Operating Agreement

- We encourage solar groups to form a limited liability company (LLC) for management purposes. Under our model the individual members own the array not the LLC. The LLC manages the affairs of the community solar array.
- LLC's are easy to set up and offers some protections to members.
- Democratic governance through "member-managed" structure.
- Preserves individual member's ownership of RECs.

Model Land Lease and Rooftop Agreement

Our Lease Agreement:

- Directly addresses the needs/concerns of community solar groups
- Compensates the Landowner with a portion of project output. We suggest 5% as a starting point.
- Protects lender, landowner, and solar group in the case of default or ownership changes

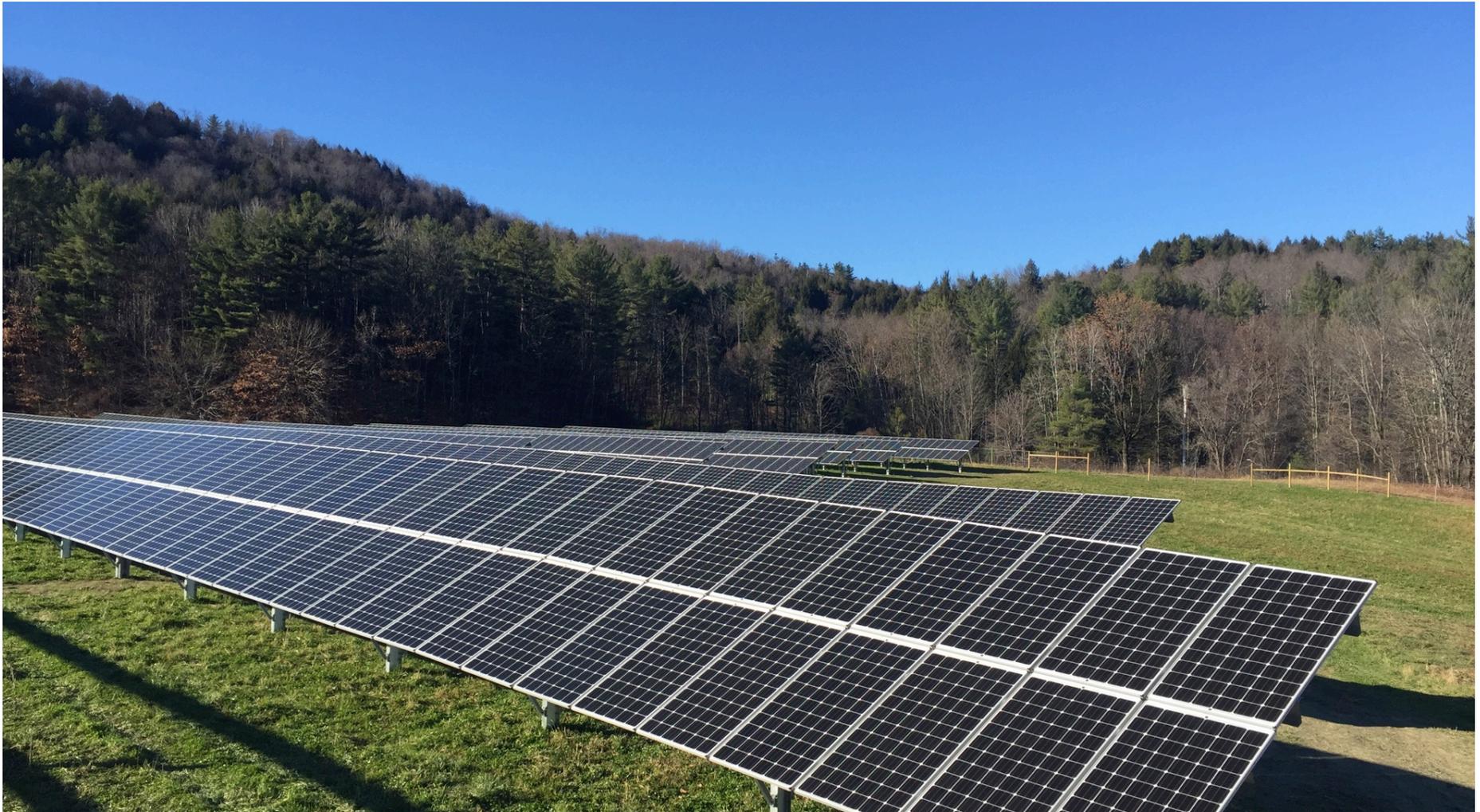
Boardman Hill Solar Farm

Preserving Local Economic and Environmental Benefits



Vermont Law School's 500 kW Solar Farm

The VLS EC developed the proposals and negotiated contract.



Commercial 40 kW Rooftop Shared Solar

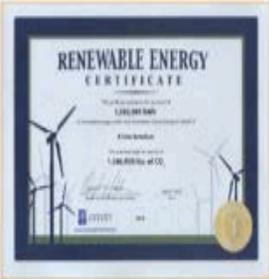
The VLS Energy Clinic developed all of the legal agreements.



White River Community Solar Site

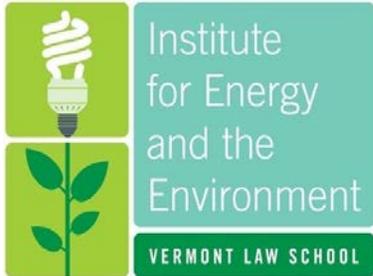


Project Characteristics

<p><u>System Capacity</u></p> 	<p><u>150 kilowatts</u></p> <ul style="list-style-type: none">• This project will have a system capacity of 150 kW, equivalent to about 30 households.
<p><u>Land Footprint</u></p> 	<p><u>1 acre</u></p> <ul style="list-style-type: none">• Requires approximately 1 acre of relatively flat land that is close to distribution lines.
<p><u>Renewable Energy Credits</u></p> 	<p><u>Retained</u></p> <ul style="list-style-type: none">• This project will retain ownership of the Renewable Energy Credits (RECs).• Keeping the RECs ensures that the power purchased remains renewable and local.

Mascoma Meadows Resident Owned Community – 100 kW Solar Array





ENERGY CLINIC



Questions?