STATE OF VERMONT

PUBLIC UTILITY COMMISSION

Case No. 19-0855-RULE

Proposed revisions to Vermont Public Utility
Commission Rule 5.100

REPLY COMMENTS OF ALLEARTH RENEWABLES, INC.

AllEarth Renewables, Inc. ("AER") offers these reply comments in accordance with the amended schedule established by the Commission. It is clear from the large number of filings submitted in October, and the diversity of issues and opinions reflected in those filings, that it is vital that the Commission establish an orderly and comprehensive process for discussion and consideration of those issues. AER's comments today do not attempt to address the many issues raised, but highlight key areas for discussion and consideration as this matter goes forward.

THE VALUE OF AND NEED FOR NET METERING

The October filings of Renewable Energy Vermont and Norwich Solar Technologies, among others, offer cogent and thorough analysis of the benefits of net metering on many levels. It is also imperative that we not lose sight of critical overarching realities, such as:

1. The climate crisis impacts all of us irrespective of where we live, and what utility serves that address.

2. The pace of renewable energy development of all types must increase greatly to replace fossil fuel generation with cleaner forms of energy, in order to both adequately address the carbon crisis and meet the needs of a society that will require a greater share of the energy mix to come from electricity, and significant higher production of electricity, as we transition to more widespread use of public transportation, eco-friendly heating technologies and others, as key parts of decarbonization efforts.

3. The grid must be modernized on both transmission and distribution system levels to accomplish what is set out above.

4. While "cost of net metering" filings made by the utilities in this matter endeavor to place a value on solar generation and then compare that value to the net metering rates to derive a "cost"

of net metering,[1] the calculation of solar values is undertaken in the context of a market that is largely driven by fossil fuel prices and does not take climate change into consideration in any meaningful way.[2] A rule that is being changed to address what is needed now and beyond cannot be meaningfully premised on yesteryear, but must consider the demands of tomorrow to help set a path forward.

Integrating these realities into consideration of how to change an existing rule promulgated under an existing statute is not an easy task. Discussions of how to do so, however, should lie at the starting point of workshops and other proceedings here, and AER requests that the Commission make this a priority in the scheduling and structure of workshops and other aspects of this proceeding.

INTERCONNECTION RULE

AER has reviewed the filings of all parties relative to this issue, and agrees with the Department of Public Service that the best course of action is to keep the interconnection rule separate at this juncture. As noted by the Department, there are a number of ways to think about and address this issue going forward, covering a range from blending the net metering and interconnection rules to fully decoupling them.[3] There are ample complex and contested issues to consider without adding this layer here, and the Rule 5.500 interconnection rule proceeding remains open in Case No. 19-0856-Rule. Moreover, nothing prevents future consideration of blending of the two rules as this matter evolves.

WORKSHOPS

It is clear from the parties' May and October filings that workshops will be beneficial, and many parties have suggested specific topics for them. Given the number of issues and parties, the Commission faces a challenging task in structuring a series of workshops that will not only address the key subjects but will do so in the most rational order. While scheduling and structure is of course the province of the Commission, AER would respectfully suggest that the Commission put out a proposed workshop structure and schedule with an opportunity to comment on it, while requiring commenting parties to offer *specific* suggestions for change along with clear reasons as to why those suggestions will enhance the process as to structure, order and efficiency.

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[1] It is also noteworthy how greatly these asserted costs vary by utility, and that the retrospective look offered by Green Mountain Power is of little or no value in ascertaining current and future costs under the most current iteration of Rule 5.100.

[2] The VPPSA/BED filing aptly describes this in noting that a net metering project's "value streams are governed by the generation characteristics of the resource, and the interplay between those characteristics and the applicable market rules or tariffs." VPPSA/BED comments at 11.

[3] See Department response at 1-2.

Thank you for the Commission's consideration of these comments, and for the opportunity to participate in this important process.

Dated this 6th day of December, 2019.

AllEarth Renewables, Inc.

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