



October 15, 2021

Holly R. Anderson
Clerk of the Commission
112 State Street
Montpelier, VT 05620-2701

Re: Case No. 19-0855-RULE, Proposed revisions to Vermont Public Utility Commission Rule 5.100

Dear Ms. Anderson,

In response to the Public Utility Commission's ("Commission's") September 29, 2021 Memorandum seeking comments related to its September 16, 2021 workshop on net-metering compensation under Commission Rule 5.100, Burlington Electric Department ("BED") submits this letter.

In BED's December 12, 2019 letter in this case, BED provided comments on the Department of Public Service's ("Department's") November 1, 2019 straw proposal for eliminating cost shifts between net-metering and non-net-metering customers. BED confirmed in its comments that there are material cost shifts between net-metering and non-net-metering customers and that compensating net-metering customers at a rate that is better aligned with the value this net-metering provides to the distribution utility's customers is the best way to eliminate this cost shift.¹² However, BED did not support the Department's proposal for changing the mechanism for aligning these values at that time. BED notes that the majority of net-metering facility applications that it reviews within its territory are small (under 15 kW) rooftop residential facilities, unlike other Vermont utility territories that receive a number of applications for facilities that are 15 kW-500 kW and are not directly connected to load.

¹ As stated in BED's November 1, 2019 comment letter which BED filed jointly with Vermont Public Power Supply Authority ("VPPSA"), the net-metering compensation system is causing a cost shift between customers who net-meter and those who do not. The benefits of net-metered solar to the distribution utility ("DU") range from \$0.08-\$0.09 cents/kWh while the costs of the program for BED are \$0.153 cents/kWh, resulting in an estimated rate impact of 0.2%.

² Because of these cost shifts, BED does not support expansion of the net-metering program as proposed by a number of solar developer representatives in the September 16, 2021 workshop.

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BED continues to acknowledge that net-metering program cost shifts are material but reiterates that it does not feel that a significant change to the compensation system is necessary at this time. In addition to the questions BED noted in response to the Department's straw proposal in its December 12, 2019 letter, BED notes that recent increasing market prices of wholesale electricity merit continued monitoring paired with continued gradual adjustments to net-metering customers' compensation in order to best align those costs with the value those customers' net-metered electricity provides to distribution utilities' customers.

Thank you for the opportunity to provide comments. Should you have any questions or concerns, please feel free to contact us at any time.

Sincerely,

A handwritten signature in black ink, appearing to read 'AW', with a horizontal line extending from the end.

Amber Widmayer
Regulatory Specialist
Burlington Electric Department
(802) 735-6918