

January 3, 2025

TJ Poor, Director, Regulated Utility Planning Division
Vermont Department of Public Service

Re: Joint comments of VPIRG, VNRC, and VCV on the draft Act 179 report regarding recommendations for a group net-metering successor program

The Vermont Public Interest Research Group, Vermont Natural Resources Council, and Vermont Conservation Voters respectfully submit the following comments regarding the draft report released by the Department of Public Service (DPS) in regards to recommendations for a group net-metering successor program required by Act 179 of 2024.

We appreciate the opportunity to submit comments on the draft report. We also appreciate the hard work DPS staff have put into the report and stakeholder process that informed it, as well as the stakeholder advisory group, polling, public engagement, and other work that preceded the passage of Act 179. We agree that the RE4C program the DPS proposes shows potential, and we look forward to working with Department staff and other stakeholders on it in the future. We also strongly agree that we must focus on strategies to decarbonize the transportation and thermal sectors, including by ensuring our power system is clean and affordable, and we look forward to working with the PSD and other stakeholders to identify and advance needed cost-saving and pollution-reducing solutions in those sectors.

We are, however, concerned by DPS's recommendation of further cuts to Vermont's net metering program in this report. Net metering rates have been reduced consistently over time – seven times in the last eight years. What's more, the Public Utility Commission (PUC) just approved big new cuts this summer, reducing compensation for this solar power another 10+%. Calling for further cuts before the impact of those approved in the latest biennial review is clear is at a minimum premature, if not irresponsible.

As DPS knows, the PUC has a process in place under Act 99 of 2014 to review those rates every two years. Every time the PUC has conducted its biennial review of the net metering program, it has reduced net metering compensation further. There is no reason to believe that won't happen again in its next review, and the state should follow that process – not preempt it.

Further cutting net metering rates, on top of the rate cuts already enacted and those approved, risks the ability of Vermonters to go solar. Net metering is the only program Vermont has left that drives rooftop solar and solar on the built environment generally. This is something we've heard over and over Vermonters across the political spectrum want to see more of and is an important tool to site projects closer to load (a cost-saving and resilience measure) and avoid unnecessary conversion of farm and forestland.

New net metering applications have already fallen by more than half over the past five years, and are on track to fall even further thanks to the additional cuts already announced. This is already a challenging moment for our solar industry. Further undermining our ability to generate more clean, local power and threatening important solar jobs - especially as the incoming Trump Administration

has made clear its intent to double down on tariffs, support for fossil fuels, and other policies intended to undermine clean energy – is shortsighted.

We strongly recommend DPS drop its recommendation for further cuts to the net metering program in the period between the PUC's biennial reviews and, instead, make the case for any further cuts via the process the PUC already has established. Additionally – and imperatively – we strongly urge the DPS to focus far more on advancing strategies and solutions that reduce energy burdens and reliance on high-cost, price volatile fossil fuels in the transportation and thermal sector. We look forward to collaborating with the DPS on these needed solutions, which will be essential to reducing energy burdens and costs across sectors – not just the electric sector – and critical to helping all Vermonters access, afford and benefit from cleaner, more efficient, more cost effective energy options.

Sincerely,

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Johanna Miller, Vermont Natural Resources Council

Justin Marsh, Vermont Conservation Voters