

Filed via ePUC

December 1, 2025

Ms. Holly Anderson, Clerk
Vermont Public Utility Commission
112 State Street
Montpelier, VT 05620-2701

Re: 25-2346-PET Petition of Northland Solar LLC for a certificate of public good authorizing the installation and operation of a 4.999 MW solar electric generation facility in Lowell, Vermont

Dear Ms. Anderson:

I write to provide background information regarding the above petition. Vermont Electric Cooperative, Inc (VEC) is required to procure increasing amounts of renewable energy to meet the State's Renewable Energy Standard (RES). VEC's active Power Purchase Agreements (PPAs) include PPAs for solar projects located in Grand Isle, Hinesburg, Alburgh, and Jericho. As outlined in this project's petition, VEC has entered into a PPA to procure renewable energy from the proposed project should the project receive all required permits. If approved, the project would contribute to VEC's local renewable energy portfolio and help VEC cost-effectively meet our statutory RES obligations. More specifically, VEC entered into the PPA for this project to meet an identified need for Tier 2 resources, beginning in 2030. VEC chose to enter the PPA at this time, rather than waiting until 2027 or 2028, as an earlier deployment of the project will ensure that it is able to take advantage of investment tax credits keeping the PPA price lower and ensuring VEC's members save money.

As noted above, VEC's active solar PPAs are located on the west side of its service territory. This proposed project site, by contrast, is situated on the east side of VEC's system within a more grid-constrained area known as the Sheffield-Highgate Export Interface (the "SHEI"). As detailed in the SHEI Memorandum of Understanding (the MOU) included in the petitioner's October 1, 2025 filing, the parties agreed to a "grid adjustor" mechanism under which the petitioner would make an upfront payment to mitigate the economic impacts associated with SHEI constraints. The impact payment reflects consideration of VELCO's planned transmission upgrades intended to support additional generation capacity in the SHEI.



As for the pairing of solar projects with community-scale battery storage, while VEC has agreements with community-scale storage resources (in Hinesburg, Troy, and one planned in South Hero), VEC has not yet found solar-plus-storage PPA proposals to be cost-effective for VEC members. VEC has determined that at this time the cost of storage has not reached a level at which it can reasonably require its inclusion in PPAs. VEC continues to evaluate these opportunities and remains open to future proposals.

Sincerely,



Craig Kiemy
VEC Manager of Power Planning

