VPPSA
Vermont Public Power Supply Authority

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August 11, 2026

This letter is being filed electronically in ePUC
Holly Anderson, Clerk
Vermont Public Utility Commission
112 State Street – Drawer 20
Montpelier, Vermont 05620-2701

Re: *Investigation into the potential need for transmission system improvements identified in the 2024 Vermont Long Range Transmission Plan*
Case No. 24-3351-INV

Dear Holly:

The Vermont Public Utility Commission's ("the Commission") *Order Requesting Comments on Staff Recommendations* in the above-referenced matter dated July 6, 2026 (the "Order"), requested comments on the Commission's recommendations for statewide Long Range Transmission Planning ("LRTP") coordination, transmission system improvements and potential implementation of Non-Transmission Alternatives ("NTAs").Vermont Public Power Supply Authority ("VPPSA"), on behalf of its member utilities,[1] submits the following responses.

Thank you for the opportunity to comment.

Very truly yours,

Vermont Public Power Supply Authority

By: William Ellis
William F. Ellis, Esq. General Counsel

[1] Barton Village, Inc. Electric Department, Village of Enosburg Falls Electric Department; Town of Hardwick Electric Department; Jacksonville Electric Company; Village of Johnson Water & Light Department; Village of Ludlow Electric Light Department; Town of Lyndon Electric Department; Village of Morrisville Water & Light Department; Town of Northfield Electric Department; Village of Orleans Electric Department; and Swanton Village, Inc. Electric Department.

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1. ***Please provide any comments on the above recommendations:***

VPPSA submits the following comments re: Commission's recommendation on LRTP process.

a) ***NTA Study Process:***
The Commission states that existing processes and procedures, established under Docket 7081, enable participants to adequately conduct NTA analysis and recommends no changes to the NTA analysis process. As participating members of the VSPC Geographic Targeting Sub-committee, VPPSA agrees the current NTA study process is a useful forum to ensure coordination, consideration and equal treatment of transmission and distribution resources among distribution utilities ("DUs") statewide.

VPPSA advocates for balanced load growth intervention, including NTAs that contribute to least cost solutions for our members' customers. VPPSA's cautions that NTAs should be cost-effective, measurable, scalable and provide for reliable peak-demand reduction. Where NTAs alone can't provide sufficient load management certainty, traditional transmission or distribution infrastructure investments should continue to be considered as transmission solutions.

b) ***Next Long-Range Plan:***
The Commission recommended no changes to the long-range plan planning process or the process for conducting the next plan. VPPSA agrees.

c) ***Distributed Generation Growth:***
In the Order, the Commission indicated there is currently no need to coordinate at the state level to optimize the location of distributed generation. The Commission further states that existing distribution and transmission planning, that occurs within DU integrated resource plans, and the VSPC Geographic Targeting sub-committee process, is adequate.

VPPSA agrees that DUs are currently able to use their Integrated Resource Plans ("IRPs") and normal planning processes to identify an optimized deployment of distributed energy resources ("DERs"), and communicate generation capacity headroom, including where DERs may best be located.

d) ***Locational Adjustor Fees:***
In the Order, the Commission shared the perspective that adjustor fees may not be the best tool to optimize the location of distributed generation, except in load constrained areas like the SHEI. The Commission communicated its intent to continue to apply

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adjustor fees, on a case-by-case basis, within the SHEI area. Finally, the Commission appears concerned that a significant amount of net-metering system registrations are issued with no adjustor fee being applied.

VPPSA concurs that applying adjustor fees may not be the best or most effective approach; except for cases where there is a closely defined constrained area, other methods of encouraging appropriate DER location are available to DUs.

VPPSA recognizes the potential inequity inherent in not applying grid adjustor fees to net metering registrations in constrained areas. That said, VPPSA cautions that the complexity and expense of administering a tariff to address this issue should be carefully considered. VPPSA also suggests that further consideration should be given to the implications of applying a tariff meant to impose grid adjustor fees on NM registrations on only constrained areas rather than more broadly across the state.

Information Requests:

CPGs for net-metering registrations in the SHEI area are issued without the requirement for a SHEI adjustor fee. For the SHEI area, please identify how much generation from net-metering registrations has been added in 2025, added to date in 2026, and what is expected by the end of 2026. Please explain any economic impact of the added generation from net-metering registrations, including whether any of this generation displaces other renewable generation on the system or requires the curtailment of other renewable generation.

VPPSA has recently identified the number and capacity of new net metering registrations within its member territories in the past two years during the 2026 Biennial Update; this information was filed in Case number 26-0291-INV. To more closely identify which of these registrations falls within the SHEI area, clarification of the geographic boundaries of the SHEI area is necessary.

In terms of the economic impact of net metered registrations, it seems logical that the addition of <u>any</u> additional generation within a constrained area may contribute to the displacement or curtailment of other renewable generation. While the impact of additional, individual net metering registrations may be negligible, in the aggregate it is probably not zero, may be dependent on concentration, other locational factors, may cross utility boundaries, and may be complicated over time by changes in the boundary of a constrained area.

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Difficulty in calculating impacts aside, imposing a grid adjustor fee on NM registrations raises questions of equity across the net metering program; is it fair to apply adjustors only within a single constrained area, or should the Commission consider applying an adjustor to all net metering registrations? What if new constrained areas are identified over time? Whether the plan is to apply a grid adjustor on a case-by-case basis, or through the development of a tariff, the complexity and administrative cost associated with the net metering program will be increased.

Please address whether a tariff or other mechanism is needed to assign adjustor fees for new net-metering registrations in the SHEI area. Should the Commission open a proceeding to investigate the need for adjustor fees for new net-metering registrations in the SHEI area?

VPPSA strongly supports the Commission opening an investigation into the need for inclusion of a $/kW adjuster fee in the net-metering rule for new net-metering registrations in the SHEI area as well as any other constrained area, especially where utility-scale projects are charged significant fees while more expensive net-metering projects are not.