

Explanation of the Vermont Public Utility Commission’s changes to the original proposed rule including citations.¹

The Vermont Public Utility Commission (“Commission”) has made the following changes to the proposed amendments to Commission Rule 5.100, the Rule Pertaining to Construction and Operation of Net-Metering Systems (the “Net-Metering Rule”) that were filed with the Secretary of State on June 23, 2023.

Rule 5.103

Initial Proposal

“Group Net-Metering System” means a net-metering system serving more than one customer, or a single customer with multiple electric meters, located within the service area of the same retail electricity provider. Various buildings owned by municipalities, including water and wastewater districts, fire districts, villages, school districts, and towns, may constitute a group net-metering system. A union or district school facility shall be considered in the same group net-metering system with buildings of its member municipalities that are located within the service area of the same retail electricity provider that serves the facility.

Final Proposal

“Group Net-Metering System” means a net-metering system serving more than one customer, or a single customer with multiple electric meters, located within the service area of the same retail electricity provider. Various buildings owned by municipalities, including water and wastewater districts, fire districts, villages, school districts, and towns, may constitute a group net-metering system. A union or district school facility ~~shall~~may be considered in the same group net-metering system with buildings of its member ~~municipalities~~schools that are located within the service area of the same retail electricity provider ~~that serves the facility~~.

Rule 5.108(C)

Initial Proposal

(C) Effect of amendment on applicable REC and siting adjustors. Except as provided below, the REC and siting adjustors applicable to an amended net-metering system, if any, will be based on the date that the first, complete application or registration was filed with the Commission and not on the date that the amendment request was filed. An amendment or series of amendments that increase the capacity of a net-metering system by more than 5% or 10 kW, whichever is

¹ Per the Secretary of State’s Final Proposed Filing Cover Sheet #10.

greater, will trigger the application of the most recently adopted siting and REC adjustors to the entire output of the amended net-metering system.

Final Proposal

(C) Effect of amendment on applicable REC and siting adjustors. Except as provided below, the REC and siting adjustors applicable to an amended net-metering system, if any, will be based on the date that the first, complete application or registration was filed with the Commission and not on the date that the amendment request was filed. An amendment or series of amendments that increase the capacity of a net-metering system by more than 5% or ~~10~~15 kW, whichever is greater, will trigger the application of the most recently adopted siting and REC adjustors to the entire output of the amended net-metering system.

Rule 5.109(D)

Initial Proposal

(D) Effect of amendment on applicable REC and siting adjustors. Except as provided below, the REC and siting adjustors applicable to an amended net-metering system, if any, will be based on the date that the first, complete application or registration was filed with the Commission and not on the date that the amendment request was filed. An amendment or series of amendments that increase the capacity of a net-metering system by more than 5% or 10 kW, whichever is greater, will trigger the application of the most recently adopted siting and REC adjustors to the entire output of the amended net-metering system.

Final Proposal

(D) Effect of amendment on applicable REC and siting adjustors. Except as provided below, the REC and siting adjustors applicable to an amended net-metering system, if any, will be based on the date that the first, complete application or registration was filed with the Commission and not on the date that the amendment request was filed. An amendment or series of amendments that increase the capacity of a net-metering system by more than 5% or ~~10~~15 kW, whichever is greater, will trigger the application of the most recently adopted siting and REC adjustors to the entire output of the amended net-metering system.

Rules 5.127(A) and 5.127(A)(2)

Initial Proposal

(A) Depending on the electric company service territory in which the net-metering system is located, the blended residential rate used to determine the value of net-metering credits is the lowest of the following:

...

(2) For electric companies whose general residential service tariff includes inclining block rates, a blend of those rates determined by adding together all of the revenues to the company during the most recent calendar year from kWh sold under those block rates and dividing the sum by the total kWh sold by the company at those rates during the same year. Each electric company whose general residential service tariff includes inclining block rates must perform this calculation (1) by May 15 of each even-numbered year and (2) when the electric company requests approval of a tariff for general residential service that includes a change in rates of more than 5%. To the extent the calculation shows that there has been a change from the rate then in effect, the electric company must file by that same date a revision to its net-metering tariff to reflect the change. Any change to the blended residential rate calculated pursuant to (1) of this subsection may be included in a tariff compliance filing made pursuant to Section 5.128(H) of this Rule. Any change to the blended residential rate calculated pursuant to (2) of this subsection must be filed as a separate tariff case at the same time the electric company files proposed revisions to its general residential service rates; or

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(A) Depending on the electric company service territory in which the net-metering system is located, the blended residential rate used to determine the value of ~~net-metering credits~~ for excess generation is the lowest of the following:

...

(2) For electric companies whose general residential service tariff includes inclining block rates, a blend of those rates determined by adding together all of the revenues to the company during the most recent calendar year from kWh sold under those block rates and dividing the sum by the total kWh sold by the company at those rates during the same year. Each electric company whose general residential service tariff includes inclining block rates must perform this calculation ~~(1)~~ by ~~May 15~~ February 1 of each even-numbered year ~~and (2) within 15 days of the effective date of a new tariff for general residential service that includes a change in rates of more than 5%. To the extent the calculation shows that there has been a change from the rate then in effect, the electric company must file by that same date a revision to its net-metering tariff to reflect the change.~~ Any change to the blended residential rate calculated pursuant to ~~(1)~~ of this subsection ~~may~~ must be included in a tariff compliance filing made pursuant to Section 5.128(H) of this Rule. ~~Any change to the blended residential rate calculated pursuant to (2) of this subsection must be filed as a separate tariff case at the same time the electric company files proposed revisions to its general residential service rates; or~~

Rule 5.128(A)(3)

Initial Proposal

(A) The Commission must conduct a biennial update in 2024 and every two years thereafter to update the following:

- (1) REC adjustors;
- (2) siting adjustors;
- (3) the statewide blended residential rate; and
- (4) the eligibility criteria applicable to Categories I, II, III, and IV net- metering systems.

Final Proposal

(A) The Commission must conduct a biennial update in 2024 and every two years thereafter to update the following:

- (1) REC adjustors;
- (2) siting adjustors;
- (3) the electric companies' blended residential rates and the statewide blended residential rate; and
- (4) the eligibility criteria applicable to Categories I, II, III, and IV net- metering systems.

Rule 5.128(D)

Initial Proposal

(D) On or before March 1 of each even-numbered year, each electric company must file in the biennial update investigation case a form developed by the Commission in consultation with the Department and the electric companies. The form will collect the following information regarding the state of the electric company's net-metering program:

- (1) the number of net-metering systems interconnected with the electric company's distribution system during the past two years;
- (2) the capacity of each system;
- (3) the fuel source of each system;
- (4) the REC disposition of each system;
- (5) the siting adjustor applicable to each system;
- (6) any other information the electric company believes to be relevant to the biennial update; and
- (7) any other information required by the Commission's form.

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(D) On or before February 1 of each even-numbered year, each electric company must file with the Commission and the Department of Public Service the following information regarding the state of the electric company's net-metering program:

- (1) the number of net-metering systems interconnected with the electric company's distribution system during the past two years;
- (2) the capacity of each system;
- (3) the fuel source of each system;
- (4) the REC disposition of each system;
- (5) the siting adjutor applicable to each system;
- (6) ~~any other information the electric company believes to be relevant to the biennial update~~ the electric company's updated blended residential rate and supporting calculations; and
- (7) ~~any other information required by the Commission's form~~ any other information the electric company believes to be relevant to the biennial update; and
- (8) any other information relevant to the biennial update required by the Commission's form.

Rule 5.128(H)

Initial Proposal

(H) Electric companies must file no later than June 15 revisions to their net-metering tariffs that incorporate the new values set forth by the Commission in its biennial update order. Each tariff must be filed as a new tariff case in ePUC. Such tariffs must have an effective date of August 1. This tariff compliance filing may not include any other proposed changes to the utility's net-metering tariff, except for a proposed change to the utility's blended residential rate calculated pursuant to Section 5.127(A) of this Rule.

Final Proposal

(H) Electric companies must file no later than June 15 revisions to their net-metering tariffs that incorporate the new values set forth by the Commission in its biennial update order. Each tariff must be filed as a new tariff case in ePUC. Such tariffs must have an effective date of August 1. This tariff compliance filing may not include any other proposed changes to the utility's net-metering tariff, ~~except for a proposed change to the utility's blended residential rate calculated pursuant to Section 5.127(A) of this Rule.~~ any revisions to the items in Rule 5.128(A)(1)-(4) ordered in the Commission's biennial update order.

Rule 5.134

Initial Proposal

Rule 5.134 [Deleted]

Final Proposal

Tariffs. Each electric company must review its net-metering tariff and, pursuant to 30 V.S.A. § 225, file any revisions necessary to ensure consistency with this Rule.