

2014 Acts and Resolves No. 99
Overview: Provisions on “Net Metering 2.0”
Office of Legislative Council Jan. 26, 2017

Relevant definitions from Sec. 3, Amending [30 V.S.A. § 8002](#)

(15) "**Net metering**" means measuring the difference between the electricity supplied to a customer and the electricity fed back by the customer's net metering system during the customer's billing period:

(A) using a single, non-demand meter or such other meter that would otherwise be applicable to the customer's usage but for the use of net metering; or

(B) if the system serves more than one customer, using multiple meters. The calculation shall be made by converting all meters to a non-demand, non-time-of-day meter, and equalizing them to the tariffed kWh rate.

(16) "**Net metering system**" means a plant for generation of electricity that:

(A) is of no more than 500 kW capacity;

(B) operates in parallel with facilities of the electric distribution system;

(C) is intended primarily to offset the customer's own electricity requirements; and

(D)(i) employs a renewable energy source; or

(ii) is a qualified micro-combined heat and power system of 20 kW or fewer that meets the definition of combined heat and power in subsection 8015(b) of this title and uses any fuel source that meets air quality standards.

Summary, New Net Metering Statute, [30 V.S.A. § 8010](#)

The new metering statute became effective Jan. 1, 2017. It provides policy direction to the Public Service Board (PSB) for a revised net metering program under PSB rules. The section:

- Allows a customer to install and operate a net metering system in accordance with the section and rules adopted under the section.
- Requires that a net metering customer pay the same rates and fees as other customers except as provided in the section and implementing rules.
- Directs the PSB to adopt net metering rules that:
 - advance statutory goals for renewable energy and greenhouse gas reduction and, unless inconsistent with those goals, achieve a deployment level consistent with the Comprehensive Energy Plan.
 - to the extent feasible, ensure that net metering does not shift costs between net metering customers and other customers.
 - account for all net metering costs and benefits and for changes over time technology cost.
 - ensure that all customers who want to net meter have an opportunity to do so.
 - balance the pace of deployment with the impact on rates.
- Requires the rules to address other issues related to net metering, including:
 - whether there is a limit on the cumulative capacity and if so what that limit is.
 - the respective duties of the utilities and net metering customers.
 - interconnection requirements for net metering systems.

- the formation and governance of group net metering systems.
- the amount of the bill credit for electricity generated by net metering systems.
- the ownership and transfer of renewable energy credits (RECs).
- Provides that the rules must include standards and procedures on applications for certificates of public good for net metering systems, using language nearly identical to existing statute.
- Requires the PSB to continue to apply the so-called “Quechee” test for aesthetic impact to net metering systems that exceed 150 kW.
- States that the rules do not have to be the same for each utility’s service territory.
- Requires each utility to implement net metering in its territory through a rate schedule that is consistent with the rules and approved by the PSB.
- Directs the Dept. of Public Service to submit a triennial report to the PSB that evaluates the current state of net metering, including the current and recommended future pace of net metering deployment, the existence and degree of any cross-subsidy, the effect on utility infrastructure and revenue, and the economic and environmental benefits of net metering.

Table: 2014 Acts and Resolves No. 99 – Process for Program Development and Actions Taken
Office of Legislative Council Jan. 26, 2017

Due Date	Act 99 Sec. & V.S.A Section	Required Action and Agency	Status
10/1/14	Sec. 5 (session law)	Dept. of Public Service; report to Public Service Board (PSB) on net metering, including the current and recommended future pace of net metering deployment, the existence and degree of any cross-subsidy, the effect on utility infrastructure and revenue, the economic and environmental benefits of net metering.	Filed with PSB 10/1/14, revised 11/7/14 – Link to DPS report
Starting 10/14	Sec. 5 (session law)	Public Service Board; conduct one or more workshops to solicit input of potentially affected parties and the public on the design of a revised net metering program.	Conducted eight workshops beginning in 11/14. <u>In re Revised net-metering rule pursuant to Act 99 of 2014 at 1</u> (Vt. PSB June 30, 2016).
During 2014-15	Sec. 5 (session law)	Public Service Board; file proposed rules and complete public hearing and comment process under the Administrative Procedure Act	Proposed rules filed with Secretary of State (SOS) on 3/25/16, with hearings on 5/4 and 5/5/16. The public comment period closed 5/12/16. Source: Proposed Rule 16-P10 as filed with the SOS
1/1/16	Sec. 5 (session law)	Public Service Board; submit to standing committees the text of the final proposed rules that the Board intends to file with the Legislative Committee on Administrative Rules (LCAR) and the Secretary of State (SOS), along with a <u>report</u> : <ul style="list-style-type: none"> • summarizing the public comment received • evaluating the effectiveness of the existing program • describing the options it considered. 	Not performed in accordance with Sec. 5. See immediately below.

Due Date	Act 99 Sec. & V.S.A Section	Required Action and Agency	Status
7/1/16	Sec. 5 (session law)	Public Service Board; finally adopt net metering rules for effect on 1/1/17; if PSB is “unable” to finally adopt rules by that date, may issue order establishing a revised net metering program, if followed by final rule adoption within a reasonable period.	<p>PSB has not finally adopted new net metering rules.</p> <p>PSB chose to issue order on 6/30/16 and then commence a further rulemaking process. <u>In re Revised net-metering rule pursuant to Act 99 of 2014 at 2</u> (Vt. PSB June 30, 2016).</p> <p>PSB issued a reconsidered order on 8/29/16. <u>In re Revised net-metering rule pursuant to Act 99 of 2014</u> (Vt. PSB Aug. 29, 2016).</p> <p>PSB filed a further proposed rule with the SOS on or about 10/15/16, with a public hearing on 11/18/16. Public comment period closed on 12/2/16. Source: Proposed Rule 16-P62 as filed.</p> <p>On 1/20/17, PSB submitted final proposed rule to LCAR and SOS. The filing included a report intended to respond to the requirement for a report by 1/1/16.</p>