P. O. Box 512 Montpelier, Vermont 05601 February 10, 2016

Senate Committee on Natural Resources State House Montpelier, Vermont

Subject: Act 99 status of net metering.

Dear Committee:

Please allow me to make some comments in response to some items that were brought up at this morning's committee meeting.

1. What qualifies as a pre-existing system?

Senator MacDonald's system might not qualify as a pre-existing system. Nor will almost all systems with applications before July 1, 2015. The definition of a pre-existing system has two parts. One is that the application had to have been filed before prior to January 1, 2017. The other is that the application was filed at a time when net-metering was being offered by the electric company pursuant to §219a(h)(1)(A) as the statute existed on December 31, 2016. These two conditions are joined by "and". Section 219a, was last revised by Act 99, effective July 1, 2015. That means that systems for which the application was filed before July 1, 2015, do not meet the second condition. There seems to be no reason why only those systems with applications between July 1, 2015 and January 1, 2017 should be given pre-existing status. Systems that do not have pre-existing status need to comply with the entire rule, the same as a system whose application is filed after January 1, 2017.

I suggest that the proposed final rule be altered so that all systems whose applications were filed before January 1, 2017 also qualify as pre-existing systems.

2. Adjustors (total production) vs. credits (net excess generation)

Credits are not the same as adjustors. Credits, by statute, apply to net excess generation. Adjustors, as laid out in the new program, apply to total production. The new program is dependent on adjustors for incentives and penalties. Yet the statute does not mention adjustors. The requirement for utilities to offer a production credit was removed under the new program. Statute now requires the Board to set the amount of the credit for net excess generation. I have found no basis in statute for requiring adjustors for total generation.

Adjustors require a second meter. The definition of net metering is only one meter, except group systems may have more than one meter. I believe that the new program may not require a second meter (the production meter) for individual systems. I think that the second meter should be made optional or removed altogether. That of course, demolishes the entire program of adjustors as laid out in the new program.

Thank you for taking the time to read these comments. I hope they increase your understanding of the issues involved in net metering.

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Thomas Waiss	

Sincerely

cc: Heather Calderwood