

## Vermont Group Net Metering Program

IREC developed the National Shared Renewables Scorecard to provide policymakers, regulators, and other stakeholders with a tool for evaluating the strengths and weaknesses of state shared renewable energy programs. IREC graded **Vermont's Group Net Metering Program** using the Scorecard's full criteria\* and found that the program currently receives a **C+** because it **lacks many of the key components necessary for program success**.

Category	Criterion	Description	Program Grade
<p><b>KEY</b> One star (★) indicates an especially important criterion for a state program. Two stars (★★) indicate one of the most heavily weighted and critical criteria for program success.</p>			
General Program Details	Aggregate Capacity Limit	Does the program have an <b>unlimited aggregate capacity</b> ?	✓
	Tracking & Reporting Requirements	★ Does the program specifically require the utility or other relevant entity to <b>collect and make publicly available data</b> regarding installed and queued capacity (e.g., via regularly updated public queue or annual public reports)?	✗
	Low- to Moderate-Income (LMI) Consumer Participation	★ Does the program have specific component(s) to <b>promote LMI customer participation</b> (e.g., capacity carve-out or target)?	✗
		Does the program <b>explicitly address financial barriers</b> faced by LMI participants (e.g., incentives or on-bill financing)?	✗
		Does the program have specific requirements regarding LMI customer <b>marketing, education and outreach</b> ?	✗
Customers and Subscriptions	Eligibility	Are <b>all customer classes</b> eligible for the program?	✓
	Portability	★ Does the program explicitly permit <b>portability</b> (i.e., allows participants to move within the utility service territory and take their subscription with them)?	✗
	Transferability	★ Does the program explicitly permit <b>transferability</b> (i.e., allows participants to leave the program or service territory and transfer their subscriptions to others)?	✓
Generation Systems	System Capacity Limit	Is the system size limit <b>at least 5 megawatts (MW)</b> ?	✗
	Siting Requirements	★★ Does the program allow <b>both on-site and off-site</b> facilities?	✓
		Can the facility and customers be <b>located anywhere</b> within the utility service territory?	✓
		Do the program rules explicitly address whether facilities can be <b>co-located</b> ?	✓
Ownership & Management	Are <b>third-party facility ownership and management</b> permitted?	✓	
Bill Credits	Valuation	★★ Is the bill credit valuation (whether embedded cost, value-based or other) <b>above the short-term avoided energy cost rate</b> for the utility?	✓
		★ Is the valuation methodology <b>clearly articulated</b> in the statute, rule and/or tariff?	✓
	Unsubscribed Generation	Is <b>unsubscribed generation</b> clearly treated and valued at least at an avoided cost rate?	✗
Renewable Energy Credits (RECs)	Subscribed RECs	Are <b>subscribed RECs</b> clearly treated?	✓
	Unsubscribed RECs	Are <b>unsubscribed RECs</b> clearly treated?	✗
<b>State Program Grade:</b>			<b>C+</b>
<p><b>Program Strengths</b></p> <ul style="list-style-type: none"> <li>✓ <b>Values shared renewable energy generation at a rate that is above the short-term avoided energy cost rate for the utility.</b> This is one of the most heavily weighted, critical criteria for program success.</li> <li>✓ <b>Allows shared renewable energy facilities to be located either on-site or off-site.</b> This is another heavily weighted criterion.</li> <li>✓ Explicitly permits customers to transfer their subscriptions if they leave the program or service territory.</li> </ul> <p><b>Opportunities for Improvement</b></p> <ul style="list-style-type: none"> <li>➤ <b>Increase the system size limit to at least 5 megawatts.</b> Currently, the system capacity limit is 500 kilowatts.</li> <li>➤ <b>Add specific components to promote access for low- to moderate-income customer participation, including components related to financing, marketing, education or outreach.</b> The current program does not have any such components.</li> <li>➤ <b>Value unsubscribed generation at least at an avoided cost rate.</b> The program stipulates that any excess generation is forfeited to the utility at the end of the year.</li> <li>➤ <b>Explicitly permit customers to keep their subscriptions if they move within the same utility's service territory.</b> Portability is not addressed in the current rules.</li> </ul>			
<p>*Note: The criteria above are a subset of the full criteria used to arrive at the state grades, but reflect the most substantial program design components. For more information about the Scorecard, including the full criteria applied to grade state programs and definitions for many of the terms within the criteria, see <a href="https://sharedrenewablescorecard.org/">https://sharedrenewablescorecard.org/</a>.</p>			