

**STOWE ELECTRIC DEPARTMENT**  
**Tariff No. NM-I**  
**Net Metering Tariff**  
**Effective August 1, 2024**  
**(updated June 29, 2024)**

**A. AVAILABILITY**

This tariff shall apply to Stowe Electric Department (“SED”) customers who: (1) take service under another applicable SED tariff, (2) have received approval pursuant to 30 V.S.A. §§ 219a or 30 V.S.A. §§ 248 and 8010 from the Vermont Public Utility Commission (“PUC”) for an individual net metered system or a group net metered system as provided for in PUC Rule 5.100, and (3) employ an eligible system to generate electricity primarily for their own use and which from time to time generates electricity in excess of the customer’s then current needs and is connected to deliver such excess electricity to SED’s distribution system. Customers must conform to all applicable requirements of 30 V.S.A. §§ 219a or 30 V.S.A. §§ 248 and 8010, and to Vermont Public Utility Commission Orders, Rules, Regulations, or electrical safety, power quality, and interconnection requirements pertaining to self-generation of energy for net metering. This tariff provision shall not supersede any terms and conditions of any other tariff provision under which the customer takes service from SED, which other terms and conditions shall continue to apply.

**B. CERTIFICATE OF PUBLIC GOOD**

Any customer seeking to take service in accordance with this tariff shall be required to submit written registration or application for a Certificate of Public Good (“CPG”) under 30 V.S.A. §§ 248 and 8010 to the PUC on forms specified by the PUC, follow all procedures specified in those forms, and obtain such CPG from the PUC before connecting any eligible system to SED’s distribution system or to any portion of the member’s own electric system that is itself connected to SED’s electric distribution system.

A CPG for a net metering system is automatically transferred when the property with the net metering system is sold or otherwise conveyed. The new owner may commence net metering provided that the new owner: (1) agrees to operate and maintain the net metering system according to the terms and conditions of the CPG and in compliance with the PUC Rule 5.100; and (2) files a transfer form provided by the PUC with SED and the PUC.

**C. ENERGY MEASUREMENT FOR INDIVIDUAL NET-METERING SYSTEMS**

SED shall measure the net electricity produced or consumed during each billing period. The customer must have a meter installed which has the capability to measure the production from the net metering system. SED shall provide a meter for this purpose that is appropriate for the customer’s rate class. Net-metering systems that: (1) qualify as Pre-Existing Systems under Rule 5.100 as indicated in Section G of this tariff and desire an additional meter for their own information or to obtain a Solar Credit for separately-metered gross generation under that same section; (2) are entitled to receive credit under Section F of this tariff, will be supplied an additional meter by SED for the measurement of the production at the customer’s expense. The customer

shall pay SED \$215 for the additional meter which includes the cost of the meter and its installation. All meters shall be installed in accordance with SED's standards and shall remain the property of SED.

If any Net-Metering system receiving service under this tariff is directly interconnected with SED's system and there is no electric load connected to the meter other than the parasitic load needed by the generation equipment, then the billing meter may also act as the production meter.

If, at the end of a billing period, the electricity consumed by the customer exceeds the electricity produced by the net-metering system, the customer will be billed the difference, net of any credit accumulated in the preceding 12 months. Credits may not be applied to non-bypassable charges as identified in this tariff.

If the electricity produced by the net-metering system exceeds the electricity consumed, the excess generation will be monetized at the applicable blended residential rate as provided for in this tariff. The monetized credit applies to all charges on the bill not identified as non-bypassable in this tariff. If application to such charges does not use the entire balance of the credit, the remaining balance of the credit shall appear on the customer's bill. Any accumulated monetary credits shall be used by the customer within twelve (12) months. Any credits not used by the customer within 12 months shall revert to SED without any compensation to the individual net metering system customer. Accumulation of monetary credits shall not result in any financial payments to the customer.

For the first 10 years after the system is commissioned, any zero or positive siting or REC adjustor set forth in the net-metering facility's CPG will be multiplied by the kWh from the production meter and applied to the bill as a credit.

Any negative siting or REC adjustor set forth in the net metering facility's CPG will be multiplied by the kWh from the production meter and applied to the bill as an additional charge.

If credits remain after being applied to all charges not identified in this tariff as non-bypassable charges, such credits will be tracked, applied, or carried forward on customer bills.

**D. GROUP NET-METERING SYSTEM REQUIREMENTS**

In addition to any other requirements set forth in 30 V.S.A. §§ 248 and 8010, and any applicable PUC Rules, a group must file the following information with SED before a group system may be formed and served by the utility:

1. The meters to be included in the group system, all of which must be located within SED's service territory.

2. The name and contact information for a designated person who is responsible for all communications from the group system to SED, save for communications related to billing, payment, and disconnection.
3. A process for adding and removing meters in the group and an allocation of any credits among the members of the group. This allocation may only be changed upon written notice to SED by the designated contact person.
4. A binding process for resolving disputes among the members of a group relating to the net-metering system.

### **Membership in Multiple Net-Metering Groups**

Individual customer accounts may be enrolled only in one net-metering group at a time. Customers with multiple accounts may enroll each account in a separate net-metering group. The cumulative capacity of net-metering systems allocated to a single customer may not exceed 500 kW.

### **E. ENERGY MEASUREMENT FOR GROUP NET METERING SYSTEMS**

For new group net metering systems that apply to receive service under this tariff after January 1, 2017, SED may require that all of the member meters be read on the same billing cycle.

SED shall measure the net electricity produced or consumed during each billing period. The customer must have a meter installed which has the capability to measure the production from the net metering system. SED shall provide a meter for this purpose that is appropriate for the customer's rate class. Net-metering systems that: (1) qualify as Pre-Existing Systems under Rule 5.100 as indicated in Section G of this tariff and desire an additional meter for their own information or to obtain a Solar Credit for separately-metered gross generation under that same section; (2) are entitled to receive credit under Section F of this tariff, will be supplied an additional meter by SED for the measurement of the production at the customer's expense. The customer shall pay SED \$215 for the additional meter which includes the cost of the meter and its installation. All meters shall be installed in accordance with SED's standards and shall remain the property of SED.

If any Net-Metering system receiving service under this tariff is directly interconnected with SED's system and there is no electric load connected to the meter other than the parasitic load needed by the generation equipment, then the billing meter may also act as the production meter.

### **Group Systems Not Directly Connected to SED's Grid**

For customers who elect to wire group-net-metering systems such that they offset consumption on the billing meter, the billing meter establishes the billing determinants for the customer's bill based on the rate schedule for the customer. SED will measure the net electricity

produced or consumed during each billing period. If the electricity consumed by the customer exceeds the electricity produced by the net-metering system, the customer will be billed the difference, net of any credit accumulated in the preceding 12 months. Except in the case of a pre-existing net metering system, credits may not be applied to non-bypassable charges as identified in this tariff.

If the electricity produced by the net-metering system exceeds the electricity consumed, the excess generation in kWh will be allocated to group members based on the percentage allocations specified to SED by the group. Allocated kWh will be monetized at the applicable blended residential rate identified in Section (F) of this tariff. The monetized credit will be applied to all charges on the customer's bill not identified as non-bypassable.

If application of the credit to such charges does not use the entire balance of the credit, the remaining balance of the credit shall appear on the customer's bill and will be tracked, applied, or carried forward on group member bills. Any accumulated monetary credits shall be used by the customer within twelve (12) months or shall revert to SED without any compensation to the individual net metering system customer. Accumulation of monetary credits shall not result in any financial payments to the customer.

### **Group Systems Directly Connected to SED's Grid**

For group net-metering systems where the generation is directly connected to SED's grid and does not also offset any customer's billing meter, the electricity produced by the net-metering system will be allocated to the group members and monetized at the applicable blended residential rate identified in Section (F) of this tariff. Except in the case of a pre-existing net metering systems, the monetized credit applies to all charges not identified as non-bypassable charges.

If application of the credit to such charges does not use the entire balance of the credit, the remaining balance of the credit shall appear on the customer's bill and will be tracked, applied, or carried forward on group member bills. Any accumulated monetary credits shall be used by the customer within twelve (12) months or shall revert to SED without any compensation to the individual net metering system customer. Accumulation of monetary credits shall not result in any financial payments.

### **Application of Adjustors to All Group Net Metering Systems**

For the first 10 years after the system is commissioned, any zero or positive siting or REC Adjustor set forth in the net-metering facility's CPG will be multiplied by the kWh from the production meter, allocated to the group members and applied to the bills as credits.

Any negative Siting or REC Adjustor set forth in the net-metering facility's CPG will be multiplied by the kWh from the production meter, allocated to the group members, and applied to customers' bills as additional charges.

**F. NET-METERING SYSTEM CREDITS**

An individual or group that owns and operates a net-metered system which is eligible for net metering under Rule 5.100 and has filed for a CPG pursuant to the rule not before January 1, 2017 shall be entitled to a credit as described in this section.

Stowe follows Commission Rule 5.100 to calculate the utility's blended residential rate and whether to apply the Statewide blended residential rate or Stowe's blended residential rate. Stowe has inclining block rates; therefore, the blended residential rate is determined by adding all revenues to Stowe from kWh sold during the preceding calendar year under the residential block rates and dividing that sum by the total kWh sold by Stowe in that calendar year. PUC Rule 5.127 requires utilities with inclining block rates to calculate the utility's blended residential rate by February 1 of each even numbered year.

As provided by Rule 5.100, generation from a net-metering system in excess of the electricity consumed by the customer will be monetized at the Blended Residential Rate. The applicable Blended Residential Rate under this tariff is \$0.18398/kWh. This rate is a blend of SED's general residential service inclining block rates that is determined by adding together all of the revenues during the most recent calendar year, 2023, and dividing the sum by the total kWh sold by SED at those rates during the same year.

The credit for each kWh of generation from a net metering system in excess of that which the customer consumes in a given billing period is calculated by adding the blended residential rate and the applicable REC and Siting Adjustors outlined above

Stowe's current blended residential rate is \$0.19267/kWh. The 2024 Biennial Update of the Net-Metering Program, Case No. 24-0248-INV, set the updated Statewide average blended residential rate to \$0.18398/kWh. Because Stowe's blended residential rate is higher than the Statewide weighted average, Stowe elects to apply the Statewide blended rate of a \$0.18398/kWh rate to service taken under this tariff.

The REC and Siting Adjustors, as outlined below, are based on the date when a net-metering registration form is accepted in e-PUC, <https://epuc.vermont.gov/?q=node/130>, and the adjusters are used to calculate the net-metering credit by multiplying the applicable adjustor values by the total kWh produced by a net metering system.

The REC Adjustor is determined according to whether the system applicant has elected to either: (A) retain ownership of any Renewable Energy Credits ("RECs") generated by the system; or (B) to transfer such RECs to SED. As defined by PUC Rule 5.100, REC means all of the environmental attributes associated with a single unit of energy generated by a renewable energy source where: (1) Those attributes are transferred or recorded separately from that unit of energy; (2) The party claiming ownership of the REC has exclusive legal ownership of all of the attributes associated with that unit of energy; and (3) Exclusive legal ownership can be verified

through an auditable contract path or pursuant to the system established and authorized by the PUC, or any system for tracking and verifying ownership that is legally recognized in any state and approved by the PUC.

This election to retain or transfer the RECs associated with a net-metering system is irrevocable. A zero or positive REC Adjustor applies for a period of 10 years from the date the system is commissioned; a negative REC adjustor applies in perpetuity. The value of the REC Adjustor for transferring the RECs is dependent upon the date that the appropriate forms were submitted to the PUC for a CPG.

Program	CPG Deemed Complete Date	Blended Residential Rate* \$/kWh	RECs Transferred to SED \$/kWh	REC Retained by Customer \$/kWh	Cat I \$/kWh	Cat II \$/kWh	Cat III \$/kWh	Cat IV \$/kWh
NM 1.0	Before 1/1/2017		N/A	N/A	N/A	N/A	N/A	N/A
NM 2.0	1/1/2017-6/30/2018		\$0.03	-\$0.03	\$0.01	\$0.01	-\$0.01	-\$0.03
NM 2.1	7/1/2018 – 6/30/2019		\$0.02	-\$0.03	\$0.01	\$0.01	-\$0.02	-\$0.03
NM 2.2	7/1/2019 – 1/30/2021		\$0.01	-\$0.03	\$0.01	\$0.01	-\$0.02	-\$0.03
NM 2.3	2/1/2021 – 8/31/2021		\$0.00	-\$0.03	\$0.00	\$0.00	-\$0.03	-\$0.04
NM 2.4	9/1/2021 – 8/31/2022		\$0.00	-\$0.04	-\$0.01	-\$0.01	-\$0.04	-\$0.05
NM 2.5	9/1/2022 – 7/31/2024	\$0.16875	\$0.00	-\$0.04	-\$0.02	-\$0.02	-\$0.05	-\$0.06
NM 2.6^	8/1/2024 – 7/31/2026	\$0.18398	\$0.00	-\$0.04	-\$0.04	-\$0.04	-\$0.07	-\$0.08

\* The statewide blended residential rate will be \$0.18398/kWh, effective August 1, 2024.

^The REC and siting adjustors shall be applicable to all new net-metering systems for which a complete certificate of public good application is filed with the Commission for the period beginning August 1, 2024, unless otherwise ordered by the Commission

Value of REC and Siting Adjustors (per kWh) by filing date with Vermont Public Utility Commission

Value of REC Adjusters			
Program	CPG Application Date	Customer Elects to Transfer REC	Customer Elects to Retain REC
NM 1.0	ON OR BEFORE 1/2/2017	n/a	N/A
NM 2.0	1/3/2017-7/2/2018	\$0.03 kWh	-\$0.03 kWh
NM 2.1	7/3/2018-6/30/2019	\$0.02 kWh	-\$0.03 kWh
NM 2.2	7/1/2019-2/1/2021	\$0.01 kWh	-\$0.03 kWh
NM 2.3	2/2/2021-7/31/2021	\$0.00 kWh	-\$0.03 kWh
NM 2.4	8/1/2021-8/31/2022	\$0.00 kWh	-\$0.04 kWh
NM 2.5	9/1/2022-7/31/2024	\$0.00 kWh	-\$0.04 kWh
NM 2.6	8/1/2024-7/31/2026	\$0.00 kWh	-\$0.04 kWh

The Siting Adjustor is determined by evaluating whether the system qualifies as a Category I, Category II, Category III, Category IV, or hydroelectric facility as defined by PUC Rule 5.100.

- Category I – a net-metering system that is not a hydroelectric facility and has a capacity of 15 kW or less
- Category II – a net-metering system that is not a hydroelectric facility and has a capacity greater than 15 kW and less than or equal to 150 kW, and is sited on a preferred site
- Category III – a net-metering system that is not a hydroelectric facility, that has a capacity greater than 150 kW and less than or equal to 500 kW, and is sited on a preferred site
- Category IV – a net-metering system that is not a hydroelectric facility, that has a capacity greater than 15 kW and less than or equal to 150 kW, and that is not located on a preferred site.

PUC Rule 5.100 provides a comprehensive definition of a “preferred site.” Some examples include a new or existing structure whose primary use is not the generation of electricity or providing support for the placement of equipment that generates electricity, a parking lot canopy over a paved parking lot, provided that the location remains in use as a parking lot, land certified as a brownfield by the Secretary of Natural Resources, and a sanitary landfill. Refer to PUC Rule 5.100 for a full list of “preferred sites” and their respective criteria.

A zero or positive Siting Adjustor applies for a period of 10 years from the date the system was commissioned. A negative Siting Adjustor applies in perpetuity. The applicable Siting Adjustors dependent upon the date that the appropriate forms were submitted to the PUC for a CPG.

Program	SITING ADJUSTERS						HYDRO
	CPG APPLICATION DATE	CAT I	CAT II	CAT III	CAT IV		
NM 1.0	ON OR BEFORE 1/2/2017	\$0.01	\$0.01	-\$0.01	-\$0.03	\$0.00	
NM 2.0	1/3/2017-7/2/2018	\$0.01	\$0.01	-\$0.01	-\$0.03	\$0.00	
NM 2.1	7/3/2018-6/30/2019	\$0.01	\$0.01	-\$0.02	-\$0.03	\$0.00	
NM 2.2	7/1/2019-2/1/2021	\$0.01	\$0.01	-\$0.02	-\$0.03	\$0.00	
NM 2.3	2/2/2021-7/31/2021	\$0.00	\$0.00	-\$0.03	-\$0.04	\$0.00	
NM 2.4	8/1/2021-8/31/2022	-\$0.01	-\$0.01	-\$0.04	-\$0.05	\$0.00	
NM 2.5	9/1/2022-7/31/2024	-\$0.02	-\$0.02	-\$0.05	-\$0.06	\$0.00	
NM 2.6	8/1/2024-7/31/2026	-\$0.04	-\$0.04	-\$0.07	-\$0.08	\$0.00	

**Non-Bypassable Charges**

As defined by PUC Rule 5.100, non-bypassable charges are those charges on the electric bill defined in SED’s tariffs that apply to a customer regardless of whether they net-meter or not. Non-bypassable charges may not be offset using current or previous net-metering credits. A customer is liable for payment of these charges regardless of whether the customer has a credit balance resulting from net-metering. The customer charge, energy efficiency charge, any applicable energy assistance program charge, any on-bill financing payment, and any equipment rental charge are non-bypassable charges.

**G. PRE-EXISTING NET-METERING SYSTEM CREDITS**

Commission Rule 5.100 was updated to take effect on March 1, 2024. This update revised the criteria for pre-existing systems. A pre-existing system must:: (1) have a complete CPG application filed with the Public Utility Commission prior to January 1, 2017; (2) the complete CPG application must have been filed at a time when the electric company was accepting net-metering systems pursuant to 30 V.S.A. § 219a(h)(1)(A) as the statute existed on December 16, 2016, or qualified under state law as a system that did not count towards the capacity limit on net-metering contained in that statute; and (3) not have been amended to increase its capacity by more than 5% or 15kW, whichever is greater, after the effective date of this Rule.

Customers using pre-existing solar net metering systems shall, for a period of 10 years from the date of the net-metering system’s commissioning, receive the incentive provided for in V.S.A. § 219a(h)(1)(K), as the statute existed on the date of the system’s commissioning. At the end of this 10-year period such customers using pre-existing net metering systems shall be credited for excess generation as provided in Commission rule 5.126.

Also for a period of 10 years from the date that a pre-existing net metering system was commissioned, a customer using that net metering system may apply any accrued net metering credits to any bill charge irrespective of whether that charge is a non-bypassable charge as defined

in Section F of this tariff. After this 10 year period, net-metering credits may not be applied to non-bypassable charges as defined in this tariff.

Credits Applicable to Pre-Existing Solar Net Metering Systems (by Registration Date)

Before or on July 7, 2013	\$0.02385
On or after July 8, 2013 and on or before November 14, 2014	\$0.03001
On or after November 15, 2014 and on or before September 30, 2015	15 kW or less in capacity: \$0.03001 Greater than 15kW in capacity: \$0.02001
On or after October 1, 2015 to on or before December 31, 2016	15 kW or less in capacity: \$0.03890 Greater than 15kW in capacity: \$0.02890

Pre-existing net-metering systems are not subject to any Siting Adjustors or Renewable Energy Credit (“REC”) Adjustors as outlined in this tariff. Any RECs created by pre-existing net-metering systems will continue to be either retained by the customer or transferred to SED per the election made by the customer at the time of the application for its CPG, or shall be retained by the customer if such an election was not available when the customer applied for its CPG.

An existing group or customer may have more than 500 kW of pre-existing net-metering systems attributed to the group or customer if the net-metering arrangements resulting therein were requested prior to January 1, 2017.

Pre-existing systems are not subject to Sections I (Energy Efficiency Audit) and J (Advanced Metering Infrastructure) of this tariff. The application of certain Adjustors and non-bypassable charges as outlined in Section C (Energy Measurement for Individual Net-Metering Systems) and E (Energy Measurement for Group Net-Metering Systems) remain applicable to any pre-existing system.

New net-metering systems that apply for a CPG on or after January 1, 2017 are subject to all provisions in this tariff save for those included in this Section G (Pre-Existing Net-Metering System Credits).

## **H. INTERCONNECTION REQUIREMENTS**

PUC Rule 5.500 governs the connection of all net-metering systems. Any customer seeking to take service in accordance with this tariff will bear the costs of any equipment necessary to interconnect the net-metering system to SED’s distribution grid and any distribution system upgrades necessary to ensure system stability and reliability.

**I. ENERGY EFFICIENCY AUDIT**

Any residential customer seeking to take new service in accordance with this tariff, with historic energy consumption of 750 kWh per month that is based upon the past two years average kWh consumption, or any commercial or industrial customer regardless of average use shall be required to obtain an Energy Efficiency Audit prior to submitting an application to the Public Utility Commission as outlined above.<sup>1</sup> The Energy Efficiency Audit may be provided by Efficiency Vermont or any other vendor/contractor approved by SED. The Energy Efficiency Audit must provide a summary of energy efficiency options, savings, and recommendations. The customer, at its discretion, shall decide whether or not to implement the recommendations. However, this requirement shall be waived by SED in the event that the customer can demonstrate that its home and/or building that is taking service under this tariff received a 5 Star energy efficiency rating or equivalent rating or conducted an Energy Efficiency Audit accepted by SED in the past ten years. In the event that SED approves an audit from someone other than Efficiency Vermont or consents to a waiver of the Efficiency Audit upon satisfaction of the criteria set forth above, SED shall provide such approval or waiver in writing. The customer shall provide such written approval, waiver, or evidence of the completed Efficiency Vermont audit in its application for a CPG prior to the installation of the net metering system.

**J. ADVANCED METER INFRASTRUCTURE**

Any customer seeking to take new service in accordance with this tariff must receive their service using an Advanced Metering Infrastructure (AMI) billing meter, also known as a “smart meter,” to measure their consumption, which must be provided by SED. The customer must, at their own expense, also install a separate AMI meter to measure the production of a net metering system in order to obtain a Net Metering Credit. All meters shall be installed in accordance with SED’s standards and shall remain the property of SED.

**K. DISCONNECTION OF NET METERED SYSTEM**

The following procedures for permanent or temporary disconnection of a net-metering system do not supplant any applicable provisions from PUC regulations.

A customer who receives service under this tariff who initiates a permanent disconnection of a net-metering system must notify SED.

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<sup>1</sup> In the event a new residential customer seeking to take service under this tariff does not have two years of prior usage history, prior usage shall be determined by reviewing prior historic usage of the customer of a minimum of two months or the historic usage of the preexisting property owner.

### **Emergency Disconnection**

In the event that SED must perform an emergency disconnection of a net-metering system, SED will notify the customer within 24 hours after the disconnection. For the purposes of this section, “emergency” is defined as a situation where as continued interconnection of the net-metering system is imminently likely to result in significant disruption of service or endanger life or property.

If the emergency is caused by the operation of the net-metering system, SED will communicate the nature of the problem with the customer and attempt to resolve the problem. If the problem has not been resolved within 30 days of an emergency disconnection, SED will file a disconnection petition with the PUC.

### **Non-emergency Disconnections**

Non-emergency disconnections will follow the same procedure as stated above, except that, pursuant to Rule 5.131(D), SED will give written notice of the disconnection no earlier than 10 days and no later than 5 days prior to the first date on which the disconnection of the net-metering system is scheduled to occur, or on terms arranged with the customer.

### **L. EFFECTIVE DATE:**

Effective August 1, 2024 (updated June 29, 2024).