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State of Vermont
Public Service Board

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JUN 19 2017

WASHINGTON ELECTRIC CO-OP, INC.
EAST MONTPELIER, VT

MEMORANDUM

To: Vermont Electric Distribution Utilities
Cc: Vermont Department of Public Service; Solar City; Ricky Walker
From: Holly R. Anderson, Deputy Clerk of the Board
Re: Interconnection of Net-Metering Systems
Date: June 16, 2017

The Vermont Public Service Board (the "Board") has become aware of a significant number of cases where net-metering registrations completed by Solar City were filed with the interconnecting utility but not filed with the Board. Under such circumstances, no application has been filed and regulatory approval for these systems has not been obtained.

The Board has instructed me to remind the Vermont electric distribution utilities that the Board's records of applications and registrations for net-metering systems received in 2017 can be accessed using the Board's electronic document management system, ePSB. A search of these net-metering cases can be accessed at <http://epsb.vermont.gov/?q=node/110>. Records of net-metering cases filed in calendar year 2016 are available on the Board's website at: www.psb.vermont.gov/document/net-metering-registration-log. The Board is in the process of converting all of its net-metering records to ePSB.

The distribution utilities are requested to periodically review these records and compare them with the utility's records of net-metering applications and registrations. Net-metering systems should not be interconnected unless a certificate of public good has been issued or deemed issued, which would be reflected on the Board's records identified above. If a company finds that its records do not match those of the Board's, the Board appreciates the utility's efforts to bring such issues to the attention of the affected customer, the Board, and the Department of Public Service.

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**State of Vermont
Public Service Board**

June 16, 2017

Lyndon Rive
Solar City Corporation
3055 Clearview Way
San Mateo, CA, 94402

Re: Applications to construct net-metering systems

Dear Mr. Rive:

I am writing to you, on behalf of the Vermont Public Service Board, to discuss Solar City's operations in the state of Vermont. Pursuant to state law, no person may construct an electric generation facility without obtaining a certificate of public good. The Board has implemented a streamlined process for reviewing applications to construct net-metering systems that usually involves the filing of a simple form. However, it is required by law that these forms be filed with the Board and other necessary recipients, and that the applicant follow all required procedures prior to commencing construction of the system.

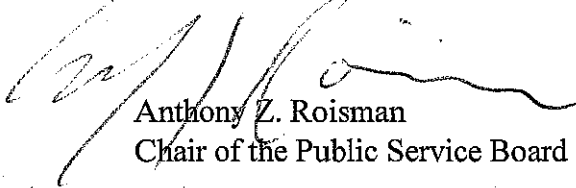
Over the past few months, my office has observed a pattern of procedural issues with net-metering applications being pursued by your company. Specifically, it appears that in many cases the required forms were not filed with the Board but instead were only filed with the interconnecting utility.¹ Under such circumstances, no application has been filed and regulatory approval has not been obtained.

It is essential that our procedural requirements are followed so that applications can be adequately reviewed to ensure that new net-metering systems do not adversely affect the operation of the grid. In addition, failing to obtain authorization to construct a net-metering system could result in significant financial penalties for you or your customers. Therefore, Solar City should review its internal permitting procedures to confirm that they are compliant with all applicable legal requirements.

¹ In approximately 20 other cases, the application forms were mailed to the wrong address.

Starting July 3, 2017, net-metering applications may be filed using the Board's electronic document management system, ePSB, which is accessible via the Board's website. My staff would be happy to meet with your team members to discuss the application process and to answer any questions they may have. Please feel free to contact the Clerk of the Board at (802) 828-2358 if you would like to schedule such a meeting.

Very truly yours,



Anthony Z. Roisman
Chair of the Public Service Board

cc: Vermont Department of Public Service; Vermont Electric Distribution
Utilities, CT Corporation System, Ricky Walker