

The Trump Administration and Congress End Federal Support for Purchasing Residential Solar (Net Metering)

HR1, the federal reconciliation bill, ended the 30% tax credit for purchasing residential solar on December 31st, 2025, making home solar unaffordable for many Vermonters.

Simultaneously, the EPA has withdrawn \$62 million in Solar for All funding designated to help low-income Vermonters go solar.

A Vermont response is needed to ensure Vermonters can go solar at home.



Process for Setting Net Metering Rates

The Legislature gave the authority to the PUC to set the compensation rate for net metering beginning in 2017. By statute, this Biennial Rate Update is done every two years.

The next Biennial Rate Update begins in March 2026.

The PUC will announce the new rates sometime in May 2026 after taking input from the Department of Public Service and other stakeholders.

These new rates are in effect from summer 2026 through summer 2028.



How Net Metering Rates are Set

Net Metering rates are set by recalculating the statewide Blended Rate and deducting any negative rate adjustors enacted by the PUC

The Blended Rate is calculated by the Public Service Department using a formula that is in statute.

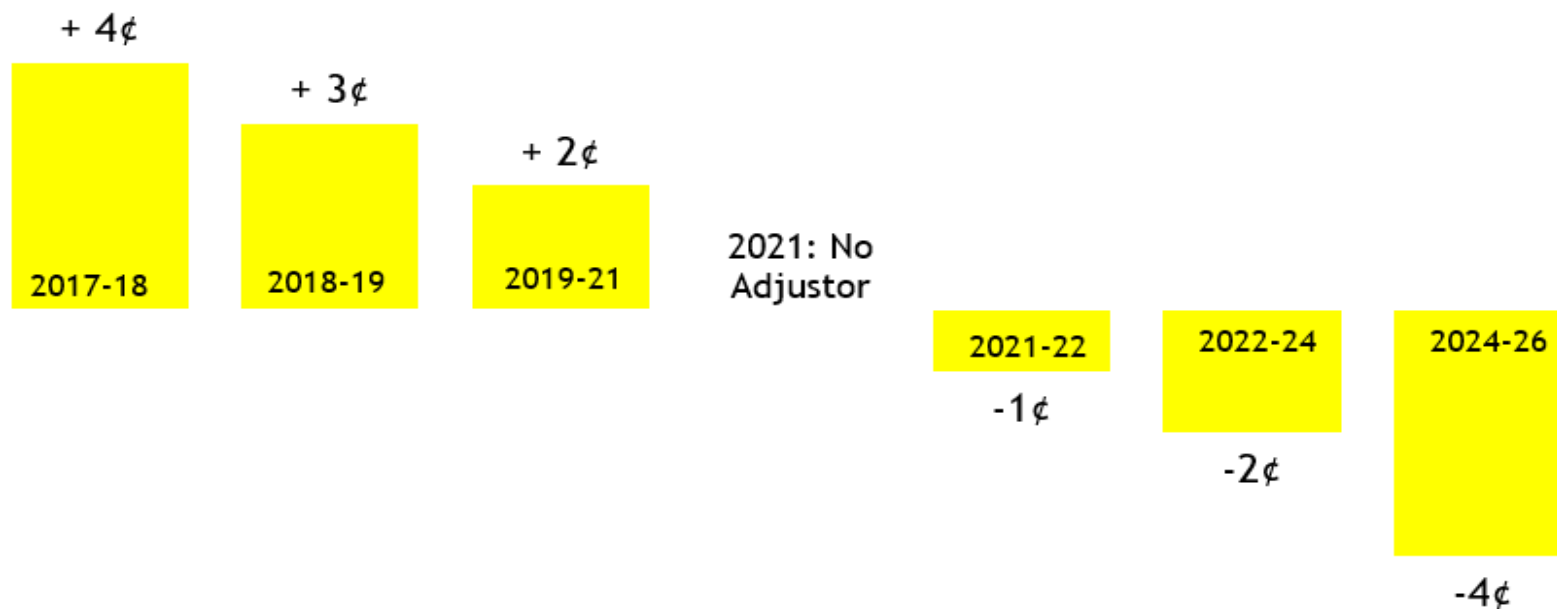
The PUC uses two adjustors to decrease compensation for net metering based on size/siting and whether a customer keeps or sells their RECs to their utility.

Application Date	Statewide Blended Rate	Size Adjustor NM <150kW	Compensation Rate- Year 1
2/21-8/21	16.4¢	none	16.4¢
9/21-8/22	16.4¢	-1¢	15.4¢
9/22-6/24	17.1¢	-2¢	15.1¢
8/24-7/26	18.3¢	-4¢	14.3¢



The PUC Has Reduced Net Metering Compensation Steadily Since 2017

Adjustors to the Blended Rate for Net Metered Systems <150



A Vermont Response to President Trump & Congress:

Enact Legislation directing the PUC to leave adjustors to the blended rate static for net metering Categories I ($\leq 15\text{kW}$) & II (15-150kW) until the 2028 Biennial Update.



Impact on a Monthly Residential Electric Bill for Different Adjustors in 2026 & 2027

Freezing the siting/size adjustor for systems up to 25 kW at the current -4¢/kWh would have a negligible impact on monthly electric bills.

However, it would save homeowners installing a new 10 kW system \$5,500 over the lifetime of the array.

*Estimated Impact on Monthly Electric Bill for a Typical Ratepayer**

Utility	PUC leaves adjustor at the current -4¢	PUC sets adjustor to -5¢	PUC sets adjustor to -6¢
GMP	27¢	24¢	21¢
VEC	39¢	35¢	31¢
WEC	78¢	70¢	62¢

* For a customer using 700 kWh per month, assuming installations of net metering systems up to 25 kW remain flat and do not drop in response to the expiration of the ITC.

