



**Colchester**  
VERMONT

781 Blakely Road • Colchester, Vermont • 05446 • 802.264.5500

[www.colchestervt.gov](http://www.colchestervt.gov)

To: Stacy Katon, Georgia Town Administrator  
 From: Aaron Frank, Colchester Town Manager  
 Date: August 1, 2025  
 Re: Potential Solar Net-Metering Partnership

**Overview:** The Town of Colchester (TOC) is seeking to sell electricity (technically net metering credits) from a TOC owned solar facility that is permitted and generating electricity, for a 10% discount. In other words, the municipal entity to purchase the credits would save 10% on their cost of electricity.

**Why sell net metering credits:** The Town of Colchester Selectboard set a goal to produce local, affordable, and renewable energy equal to the amount consumed in its provision of municipal services. To generate sufficient power to meet the TOC’s expected electric demand in 2028, solar generating capacity of 720 kW is needed. The state’s net-metering rules cap the total renewable generation capacity eligible for net-metering at 500 kW in production capacity per customer

**Potential Partnership:** The Town of Colchester is seeking to partner with another municipal Green Mountain Power (GMP) customer, or customers, who can benefit from the Town’s renewable generation of 220 kW above the 500-kW production capacity cap. The TOC is currently under contract with the Town of Westford for 39kW and has 181 kW of production capacity left to sell.

Under an agreement between the TOC and the partner, the partner would receive the value of the net-metering credits as a credit on its GMP bill. The partner would then reimburse the TOC for 90% of the economic value of those credits. Estimated values per year and over a 20-year agreement are noted below.

The 181-kW in production capacity will generate approximately 243,852 kilowatt hours in the first year of operation. The current value per net-metering credit that the array would be eligible for is \$0.12141 resulting in a total annual value of approximately \$29,606. Annually, the purchaser would pay \$26,645 to the Town of Colchester, and obtain about \$2,961 in additional net metering credit value for no cost. Over the course of 20 years, the value of the 10% discount to the partner is estimated to be \$59,212.

<b>Estimated Solar NM Credit Values</b>	<b>Annual</b>	<b>20-Year</b>
Total Value of Net-Metering Credits	\$29,606	\$592,122
Amount Reimbursed to Colchester (90%)	\$26,645	\$532,910
<b>Amount of Discount for Purchaser (10%)</b>	<b>\$2,961</b>	<b>\$59,212</b>

The TOC would prefer a single agreement with a single municipality but would be willing to entertain two or three different agreements, in exchange for slightly lower discounts.

Please contact me if you would like to discuss this partnership opportunity further.

Thanks, Aaron