

## New Jersey Solar Transition BPU Docket No. QO20020184 Comments from Pro-Tech Energy Solutions in response to the BPU Notice of August 11, 2020

Dear Secretary Camacho-Welch:

The purpose of this letter is to provide comments from Pro-Tech Energy Solutions on the above matter pursuant to the BPU's notice of August 11, 2020.

We appreciate the opportunity to provide these comments. Pro-Tech Energy Solutions is a New Jersey based leading vertically integrated renewable energy company that develops, designs, finances and provides full engineering, procurement, and construction services for commercial and utility scale solar PV projects throughout the United States.

## The Successor Solar Incentive Program should recognize and encourage Solar Projects at current and former Mining Sites

If the State of New Jersey is to meet its aggressive goal of 12,188 MW of solar capacity by 2030 and 32,200 MW of solar capacity by 2050, it *must* enthusiastically embrace innovative solar technology that can be developed without encroaching on our open space and any harm to New Jersey's environment. Especially so with a technology that capitalizes on available and suitable open space to mount solar panels; namely, used mining sites.

These sites, known as "Blue Holes", are former gravel or sand mines which have filled with water or been filled with sand. Solar energy can be installed in these areas as ground-mounted solar arrays on the sand surface of the mining pits or floating solar arrays on sites filled with water.

These mining sites are already zoned for industrial uses by local land use boards and are required to follow requirements of the New Jersey Department of Environmental Protection. Sand mines include electrically powered dredge machines and large sorting operations which means they also have a robust electrical infrastructure for interconnection.

The benefit of siting solar on mining sites, whether floating arrays or ground-mounted arrays, are large systems that reuse underutilized industrially zoned property and offer large scale and cost-efficient solar energy with no impacts on open space.



One of the biggest challenges to developing solar in New Jersey are siting and interconnection. Solar on a mining site eliminates these two barriers given the infrastructure that already exists on a property that is zoned industrial.

Solar projects on mining sites are effectively "shovel ready" projects in a way that does not have the interconnection and siting challenges that face other sites. These are also large projects that can occupy acres of unused or underutilized industrial land, provide jobs and capture cost efficiencies that such scale will bring.

Given these characteristics, the BPU should design its successor solar incentive program in a manner that supports the development of Blue Hole Projects. **Specifically, these sites should NOT be categorized with grid projects built on open space.** Due to the unique benefits and value described above, Blue Holes should be defined as a specific category of solar incentive, with a fixed price fifteen-year REC with an adder/multiplier, similar to the design of the BPU's current TREC Program. Pro-Tech is prepared to work with the BPU, its Staff, and its consultant to develop a reasonable incentive level and an adder/multiplier that allow these projects to be developed while protecting ratepayers.

In order to protect ratepayers and track cost changes over time, the incentive structure and adders/multipliers should be reviewed and reset every three years. This will ensure the incentive for new projects track changes in cost, tax credits, and market changes over time.

In developing the incentive structure and adders/multipliers, the State should be cognizant to separate value from cost. As discussed previously, developing solar on mining sites carries unique value to helping New Jersey meet its renewable energy and emissions goals while simultaneously protecting open space that is precious and scarce in New Jersey. Solar itself also provides quantifiable value: it is emissions free, puts downward pressure on wholesale energy prices by displacing more expensive generation sources, and provides in-state jobs supporting New Jersey's economy. Solar also provides benefit to the distribution system itself – relieving strain on the grid in specific locations that may result in deferred upgrades and investments. The State must operate its solar market under cost caps, and therefore it is imperative that value be properly categorized.

In summary, solar project development on mining sites presents New Jersey with the unique opportunity to meet its solar goals in a way that minimizes the use of open space, instead relying on industrial sites that are ready for re-use. These projects also deliver the cost efficiencies that building in scale delivers. This unique value should be recognized through a fixed 15 year incentive structure that incorporates an appropriate adder/multiplier that recognizes this unique value.