

May 21, 2021

Ms. Aida Camacho-Welch Secretary of the Board New Jersey Board of Public Utilities 44 South Clinton Avenue, 9th Floor P.O. Box 350 Trenton, New Jersey 08625-0350

## **RE: Request for Public Comment: New Jersey Solar Successor Program**

Dear Secretary Camacho-Welch:

Thank you for the opportunity to provide comment on the New Jersey Board of Public Utility's (the "NJBPU") Staff Straw Proposal on the Solar Successor Program ("Straw Proposal").

Spectacular Solar is a solar installer located in Rahway. Our typical customers are small business owners which, as you are aware, have been greatly affected over the past year as a result of the COVID-19 pandemic. While this may not seem relevant to the Straw Proposal, or the NJBPU, it should be taken into consideration when contemplating the effect incentives such as this have on the public and when considering changes to an incentive program which provides additional revenue streams to so many. Several of our customers have told us that their access to revenue streams derived from renewable energy credits, as well as the energy reduction from their solar arrays, helped them to pay their bills and to literally "keep the lights on" during this difficult year. Without the reduction of energy costs and revenue from renewable energy credits, some of these companies may not have been able to survive.

The importance of the incentives associated with solar cannot be overstated and we echo what so many of our colleagues have already expressed with regard to the benefits of incentivizing solar in our state. It is well settled that incentivizing solar is beneficial to all. Reducing the incentives and placing limits on the amount of incentives available, we fear, will result in the reduction of new solar installations in New Jersey. A major selling point for purchasing solar in New Jersey is the availability of the TRECs at their current value. To reduce the incentive amount by over 40% will not only hurt the solar industry in New Jersey but will place in jeopardy the Governor's goal of 100% clean energy by 2050.

Further, placing a limit on each tranche of the solar market is going to leave so many without incentives that they may decide not to install solar at all, especially in the commercial

space. Many customers become interested in solar when they are told about the energy cost reduction, tax incentives and additional revenue stream that the TRECs offer. The availability and current value of TRECs are a driving force in their decision to install solar in the first place. If the TRECs cannot be offered to them at the sales level with any degree of certainty that they will qualify, they may decide not to move forward with solar. Additionally, placing a limit on the size of commercial projects will disincentivize solar installers from designing solar arrays larger than 2 MW. This will further jeopardize the clean energy goals of Governor Murphy.

Finally, placing a 12-month time limit on the construction of the solar array is unreasonable. When a solar array is being designed and constructed, there are many moving parts. The installer must obtain designs from engineers which often are not in-house. They must submit plan sets and proposals to the utility and the township where they are constructing the solar array. Perhaps a time limit of 12 months to build a solar array would be reasonable if a solar installer did not need to depend upon third parties, specifically, utilities and municipalities, for approvals. Unfortunately, that is not currently the case. Placing a time limit on construction when there are so many outside variables that can have an effect on the construction is prohibitive to the goal of incentivizing the construction of solar within this state.

Spectacular Solar offers this commentary from the perspective of a solar installation company and on behalf of our customers which are largely comprised of small business owners within this state. We urge the NJBPU to re-examine the above proposed changes from the perspective of potential solar customers and installers which will be disincentivized to install solar if the above proposed rules are placed into effect. If you have any questions regarding this letter, please feel free to reach out to me at 866-757-6527 or via email at Doug@spectacularsolar.com.

Respectfully,

Douglas Heck, CEO

Douglas Heck