

May 27, 2021

SUBMITTED VIA EMAIL

board.secretary@bpu.nj.gov

Aida Camacho-Welch, Secretary of the Board Board of Public Utilities 44 South Clinton Avenue, 9th Floor Post Office Box 350 Trenton, NJ 08625-0350

RE: Docket No. QO20020184 – Solar Successor Program

Dear Secretary Camacho-Welch,

Innovative Energy Storage Solutions (iESS) is an US consulting firm that provides expert advice on Li-ion battery technology and on the monetization of energy storage installations in various grid applications, whether in the utility-scale market or the Commercial and Industrial (C&I) market. In the last years, iESS has been retained by various clients to lead a due diligence for several stand alone energy storage projects as well as storage + PV projects.

The signature in 2018 by Governor Murphy of the NJ Clean Energy Act has created an expectation among developers that the NJBPU would quickly proceed to develop an incentive program to support the goal of 600 MW of energy storage systems (ESS) installed by 2021 and 2000 MW installed by 2030. To this day, this incentive program has not yet materialized.

Including a storage component in the solar successor program is a good start. Its scope however should be more aggressive than presented in the straw proposal and it should be recognized that solar + storage is not the only application for energy storage that can provide benefit to NJ rate payers.

For the solar successor program, we strongly support the Energy Storage Association's recommendations of :

- an energy storage incentive that is not based on energy output of the PV system but on the installed kWh of storage installed in recognition of the specific attributes of energy storage;
- an energy storage incentive that is paid upfront, not over the entire lifetime of the projects, to help cover many of the soft costs encountered for such projects;

- an energy storage incentive that does not only concentrate on grid-scale projects but also to smaller projects and projects behind the meter, in recognition of the benefits energy storage can bring to C&I and residential projects, as demonstrated in several other US states;
- an energy storage incentive that is conducive to leveraging the multiple benefits of energy storage, not just an increased resilience.

Sincerely,

Olivier Brigaud

President, iESS