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BOARD OF PUBLIC UTILITIES
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BOARD OF PUBLIC UTILITIES
TRENTON, NJ

December 3, 2018

VIA E-MAIL AND OVERNIGHT MAIL

Aida Camacho-Welch, Secretary

New Jersey Board of Public Utilities

44 South Clinton Avenue, 3rd Fl., Suite 314

P.O. Box 350

Trenton, New Jersey 08625-0350

Re: In The Matter Of The Petition Of Public Service Electric and Gas Company For
Approval Of Its Clean Energy Future – Electric Vehicle And Energy Storage
("CEF-EVES") Program On A Regulated Basis
BPU Docket No. EO18101111

Secretary Camacho-Welch:

Pursuant to N.J.A.C. 1:1-12.2(c), Sunrun Inc. ("Sunrun") hereby submits this response to Public Service Gas and Electric Company's ("PSE&G") November 26, 2018 letter in opposition to Sunrun's Motion for Leave to Late File and Motion to Intervene in the above referenced proceeding. As more fully described below, PSE&G's arguments in opposition to Sunrun's intervention misstate Sunrun's interests and are a transparent attempt to exclude the nation's leading residential solar and energy storage provider from meaningfully contributing to and representing its interests in this important proceeding. PSE&G's arguments should be rejected and Sunrun's Motion should be granted. In support this requested relief, Sunrun states as follows:

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KELLEY DRYE & WARREN LLP

Secretary Camacho-Welch
December 3, 2018
Page Two

1. Sunrun states at the outset that N.J.A.C. 1:1-16.2 provides that “a motion for leave to intervene may be filed at any time after a case is initiated.” Sunrun acknowledges that the Board’s order setting the date for intervention in this proceeding of November 13, 2018, however, as noted in Sunrun’s Motion, this delay was based on a misunderstanding and granting Sunrun’s motion will not cause undue delay or prejudice any of the parties.¹ In ruling on a motion to intervene, N.J.A.C. 1:1-16:3(a) requires the decision maker take into consideration the following factors:

- 1) The nature and extent of the movant's interest in the outcome of the case,
- 2) Whether or not the movant’s interest is sufficiently different from that of any party so as to add measurably and constructively to the scope of the case,
- 3) The prospect of confusion or undue delay arising from the movant’s inclusion, and
- 4) Other appropriate matters.

As the Board has stated, the application of these standards involves an implicit balancing test, that requires “[t]he need and desire for development of a full and complete record, which involves consideration of a diversity of interests, [to] be weighed against the requirements of the N.J.A.C, which recognizes the need for prompt and expeditious administrative proceedings by requiring that an intervener’s interest be specific, direct and different from that of the other parties so as to add measurably and constructively to the scope of the case.”²

¹ Sunrun Motion for Leave to Late File and Motion to Intervene ¶ 2 (November 16, 2018) (“Sunrun Motion”).

² See e.g. In the Matter of the Application of NJ Land, LLC Seeking a Declaratory Judgment or a Waiver, Order (Aug. 24, 2016) Docket No. QO16040382 (granting petition to intervene of Jersey Central Power & Light Co.).

KELLEY DRYE & WARREN LLP

Secretary Camacho-Welch
December 3, 2018
Page Three

2. Sunrun respectfully submits that the Board's determination on Sunrun's Motion should not turn on the fact that Sunrun's Motion was filed only three days after the date set in the Board's order. There is no procedural schedule established in this docket, no hearings have been conducted, and Sunrun's intervention does not prejudice any of the parties and will not cause undue delay. As such, the Board's determination on Sunrun's Motion should turn on Sunrun's specific, direct, and unique interests, that its expertise in the residential energy storage market will add measurably and constructively to the scope, and that its participation will assist the Board in developing a full and complete record to ensure that these deliberations involve the consideration of a diversity of interests in this important proceeding.

3. Contrary to PSE&G's assertion that allowing Sunrun to participate "by virtue of its BTM platform would improperly enlarge the scope of this proceeding and present a serious risk of confusion and undue delay"³; Sunrun's stated interests and participation will add measurably and constructively to the scope of this proceeding, not improperly enlarge or it cause confusion or delay. PSE&G's proposal requests Commission approval of nearly \$180 million in energy storage subprograms for the stated purpose of "optimizing electricity costs for PSE&G's customers, support grid operations, and facilitate the integration of renewables on the PSE&G grid."⁴ Sunrun is the largest residential solar and energy storage provider in the country and has

³ PSE&G Letter in Opposition to Motion for Leave to Late File and Motion to Intervene of Sunrun Inc. ¶ 7 (Nov. 26, 2018) ("PSE&G Letter").

⁴ PSE&G Petition for Approval of Clean Energy Future – Electric Vehicle and Energy Storage Program on a Regulated Basis at 8 (Oct. 11, 2018) ("Petition for CEF – EV & ES Program"); Sunrun Motion for Leave to Late File and Motion to Intervene ¶ 1 (Nov. 16, 2018) (citing the same) ("Sunrun Motion").

KELLEY DRYE & WARREN LLP

Secretary Camacho-Welch
December 3, 2018
Page Four

significant expertise working with utilities, regulators, and other stakeholders on energy storage initiatives around the country. Sunrun's national leadership and expertise in advancing innovative behind the meter ("BTM") energy storage deployment and operation, and its position as a provider in PSE&G's territory, offers a unique and important perspective that will benefit the Board's consideration of PSE&G's proposal.

4. As described in Sunrun's Motion, BTM energy storage programs are being developed in numerous states, including New York, California, Hawaii, Puerto Rico and in New England states to achieve the same or similar goals PSE&G aims to achieve through its energy storage subprograms.⁵ BTM assets can be deployed to reduce electricity costs for consumers through the coordinated operation and dispatch of distributed energy storage devices to reduce the costs of peak demand events, support grid operations through frequency control and other ancillary services, facilitate the integration of renewables on the grid by increasing hosting capacity without the need for costly grid upgrades, and perhaps most importantly, improve the overall resiliency of the grid in New Jersey. The capabilities of aggregated residential BTM energy storage offer an important opportunity for PSE&G, its customers, and the Board to advance clean energy goals in New Jersey and reduce costs for customers.

5. The potential for BTM energy storage to deliver the benefits that PSE&G proposes is therefore directly related to PSE&G's energy storage program proposals. As such, the customer

⁵ Sunrun Motion ¶ 6, 7.

KELLEY DRYE & WARREN LLP

Secretary Camacho-Welch
December 3, 2018
Page Five

cost savings and grid benefits that PSE&G anticipates achieving through the significant investments proposed for energy storage infrastructure technology and operations support should be considered in conjunction with the cost savings and grid benefits that non-utility market participants and their customers can provide. These are critical considerations as New Jersey continues its transition to a clean energy future and therefore should be part of the deliberations before the Board. Sunrun is the only intervenor who can provide this perspective in this important proceeding.

6. PSE&G's argument that Sunrun has "no particularized interest that justifies its intervention"⁶ is without merit. Sunrun's Motion demonstrates that its interests are "directly, substantially and significantly affected" and that Sunrun's participation can add constructively to scope of this proceeding.⁷ The capabilities of BTM energy storage extend beyond the immediate customer host use case and offer myriad capabilities that include peak demand and cost reductions, grid operations support, and facilitating the integration of renewables to the grid.⁸ For instance, the bring your own device ("BYOD") model Sunrun suggested in its Motion for the Board's consideration is one means by which BTM storage assets can be deployed to deliver these customer saving and grid benefits.⁹ The fact that BTM assets are distributed and located

⁶ PSE&G Letter ¶ 8.

⁷ See, e.g., Sunrun Motion ¶¶ 3, 5, 6, 7, 8, 9.

⁸ See, Sunrun Motion ¶¶ 6,7; see also Sunrun, Affordable, Clean Reliable Energy, A Better System Created by the People, for the People (Apr. 6, 2018) available at <https://www.sunrun.com/sites/default/files/affordable-clean-reliable-energy.pdf>.

⁹ Sunrun Motion ¶ 7.

KELLEY DRYE & WARREN LLP

Secretary Camacho-Welch
December 3, 2018
Page Six

behind the customer meter means that these assets offer an innovative and alternative means through which to cost-effectively provide the benefits PSE&G proposes. Private non-utility market participants have the expertise and capabilities to partner with utilities and customers to leverage these assets to advance New Jersey's clean energy goals, just like Sunrun is proposing in other states, including New York.¹⁰

7. To exclude the consideration of BTM energy storage assets from this important proceeding would deprive the Board of developing a full and complete record, fail to include the diversity of interests that Sunrun represents, leave out an important market segment from these deliberations, and potentially forego a more cost-effective alternative that could save New Jersey ratepayers money. The historic nature of this filing warrants parties and stakeholders who can provide insights and expertise have a seat at the table.

¹⁰ See, e.g., New Hampshire Public Utilities Commission DE 17-189, Direct Testimony of Justin Barnes (May 2, 2018) (discussing the benefits of and recommending the adoption of a BYOD program as part of a pilot program proposed by Liberty Utilities to use customer sited energy storage devices to manage peak demand events) and Proposed Settlement Agreement (Nov. 16, 2018) (adopting Sunrun's recommendations to include a BYOD program in Liberty's pilot program); New York State Department of Public Service, Matter No. 14-01299, In the Matter of PSEG LI Utility 2.0 Long Range Plan, Comments of Sunrun Inc. (Aug. 30, 2018) (supporting PSE&G LI's proposed BTM Energy Storage with Solar Program as a means to provide clear market rules and up-front pricing to DER customers, developers, and aggregators to integrate cost-effective DER solutions to meet short-term and long-term grid needs and recommending the program be expanded across PSE&G's Long Island territory) and Department of Public Service Recommendations Regarding PSEG LI Annual 2018 Update at 15-16 (Nov. 1, 2018) (discussing PSEG LI proposal to "initiate an open solicitation of third party aggregators to install energy storage solutions paired with solar, while also providing load relief through direct load control" and recommending that "PSEG LI pursue the BTM Storage project and expand the project outside of load constrained areas on Long Island to be available systemwide, to all classes of ratepayers, and include both paired Photovoltaic (PV) and energy storage projects as well as standalone energy storage projects designed to reduce customer load during utility demand response events").

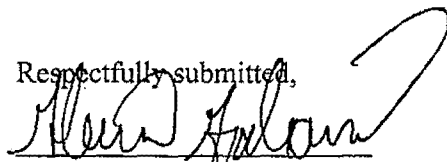
KELLEY DRYE & WARREN LLP

Secretary Camacho-Welch
December 3, 2018
Page Seven

8. Sunrun is the national industry leader in residential solar, energy storage and energy management and has critical expertise that no other party brings to the deliberations of this proceeding. Sunrun's participation will assist the Board in developing a full and complete record, and Sunrun has demonstrated that its interests in this matter are distinct from those of any other party and its participation will add constructively to the scope of this proceeding, and that Sunrun's participation will not cause undue delay or confusion. Accordingly, intervenor status should be granted to Sunrun.

9. While Sunrun's interest are such that intervenor status is warranted, if the Board determines that intervenor status is not appropriate, Sunrun respectfully requests, in the alternative, participant status be granted to the fullest extent the Board determines appropriate to allow Sunrun to represent its interests and meaningfully contribute to the deliberations in this proceeding.

Respectfully submitted,



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**PUBLIC SERVICE ELECTRIC AND GAS COMPANY –)
IN THE MATTER OF THE PETITION OF PUBLIC)
SERVICE ELECTRIC AND GAS COMPANY FOR)
APPROVAL OF ITS CLEAN ENERGY FUTURE –)
ELECTRIC VEHICLE AND ENERGY STORAGE)
("CEF-EVES") PROGRAM ON A REGULATED BASIS)**

DOCKET NO. EO18101111

CERTIFICATE OF SERVICE

I, Blake Elder, hereby certify that I have this day caused a copy of the foregoing document to be served upon the official service list for EO18101111, attached hereto, by electronic mail to all persons with a valid email address. Two copies have also been sent to each party via U.S. Mail.

Dated: December 3, 2018.

/s/ Blake Elder

Blake Elder

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