



**Comments from the Solar Energy Industries Association  
on the New Jersey Community Solar Energy Pilot Program  
BPU Docket Number QO18060646  
August 10, 2020**

## **INTRODUCTION**

The Solar Energy Industries Association ("SEIA") submits these brief comments in response to the New Jersey Board of Public Utilities ("BPU or Board") "Request for Comments and Stakeholder Meeting Notice" ("Notice") on the New Jersey Community Solar Energy Pilot Program issued on July 9, 2020. Thank you for the opportunity to comment.

As the national trade association of the U.S. solar energy industry, which employs roughly 250,000 Americans, SEIA represents all organizations that promote, manufacture, install and support the development of solar energy. SEIA works with its 1,000 member companies to build jobs and diversity, champion the use of cost competitive solar in America, remove market barriers and educate the public on the benefits of solar energy.

SEIA has approximately 45 member companies with an operating address in New Jersey. In addition, SEIA member companies, including many community solar companies, based all over the country are doing business in New Jersey and have a direct interest in the future of clean energy in the state.

## **COMMENTS ON TWO COMMUNITY SOLAR QUESTIONS**

SEIA limits its comments to two questions posed in the Notice: Question 14 and Question 21. On the remaining questions posed in the Notice, SEIA supports the comments submitted by the Coalition for Community Solar Access ("CCSA").

### **Question 14**

The PY1 capacity was 75 MW(dc). Pursuant to N.J.A.C. 14:8-9.4(b), the PY2 capacity must be at least 75 MW(dc), but could be more. Staff is considering recommending that the Board increase capacity in PY2 to 100 MW(dc), and to 125 MW(dc) for PY3, with the intention of soliciting annually for 150 MW(dc) in the permanent program. Please comment on this proposed plan.

### **Summary Recommendation**

SEIA recommends the Board increases capacity in Program Year 2 ("PY") to at least 150 MWs and more importantly ends the pilot phase and moves now to finalize the rules for the permanent community solar program alongside the successor solar incentive program.

### **Expanding PY2 Capacity**

The overwhelming response to the first community solar application (hundreds of MWs worth of potential projects with more than 252 applications submitted) supports a significantly larger allocation of capacity for the second year of the pilot program. A larger program will match solar industry interest and give more projects an opportunity to succeed.

Based on the feedback provided by stakeholders on the PY 1 application, the Board and Board Staff can make adjustments to the PY2 program to ensure the Administration's goals are met and improve the program's operation.

Among these changes, the most critical as described in the CCSA comments is increasing the program maturity requirements in the application process. SEIA believes it is unlikely that a third year of piloting will produce significant new insights that would result in the need for major program changes and rule revisions.

Modest program adjustments could be made through the yearly program application. SEIA further recommends the Board builds a triennial review into the permanent community solar program rules to ensure the program remains dynamic.

### **Establishing the Permanent Program Alongside the Successor Incentive**

SEIA recommends the Board moves to finalize the permanent community solar program rules at the same time, or within a few months of finalizing the solar successor program rules.

The Board already has the authority from the 2018 Clean Energy Act to issue the permanent program rules now instead of waiting until after PY3.

The Board and Board Staff can use the solar successor program policy discussions to finalize key details about the i) incentive amount for community solar ii) duration of the incentive and iii) any additional factors or adders to encourage community solar installations. These design details are the foundation of the permanent community solar program.

The primary benefit of establishing the permanent community solar program now is establishing policy certainty and creating a stable environment for project development. With a complete picture of the multi-year roadmap for the solar successor incentive and community solar program design details, solar firms can pursue projects and sites, work to sign up subscribers and generally submit projects for approval that are more mature.

Relatedly, as part of the permanent program and successor, we recommend publishing a long-term forward schedule of community solar planned solicitations for the number of megawatts per year that are consistent with meeting the targets of the State Energy Master Plan. This forward-looking solicitation schedule would provide a more stable policy signal and ensure a steady pipeline of projects for approval.

### **Question 21**

How is the Pilot Program impacted by the ongoing transition in solar incentives from the Transition Incentive Program to the Successor Program?

### **Clarify PY2 Is Eligible for TREC**

Given that the PY2 application will be released shortly, SEIA recommends that the Board and Board Staff clarifies that projects approved as part of the PY2 application would be eligible for the TREC program.

Projects developers must be able submit applications based on the known incentive values of the TREC program, not the "to-be-determined" successor values which are still in development and will likely be the subject of considerable discussion over the remainder of this year. This clarity will support a more mature pipeline of projects and reduce overall project attrition rates.

### **Timeline for Establishing the Permanent Community Solar Program & the Successor**

Consistent with our answer to Question 14, SEIA recommends ending the pilot phase of the community solar program now and moving to finalize the rules for the permanent program alongside the approval of the successor program.

The attached Appendix to these comments shows the timing of the various steps that could be considered at the same time to execute this approach. SEIA welcomes further discussion on these matters over the coming weeks.

Thank you for considering these two recommendations. Please refer any questions about these comments to:

/s/

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**SEIA Community Solar Comments - Appendix**  
**For Discussion - August 10, 2020**

<b>Community Solar (CS) Timeline - Permanent Program</b>							
<b>Date</b>	<b>8/20</b>	<b>9/20</b>	<b>11/20</b>	<b>12/20</b>	<b>1/21</b>	<b>6/21</b>	<b>9/21</b>
				<i>CS Permanent</i>		<i>CS</i>	
		<i>CS PY 2</i>	<i>CS PY 2</i>	<i>Straw</i>	<i>CS PY 2 Awards</i>	<i>Permanent</i>	<i>CS '21</i>
	<i>CS PY 2</i>	<i>Application</i>	<i>Application</i>	<i>Proposal</i>	<i>Announced/Permane</i>	<i>Rules</i>	<i>Application</i>
<i>Milestone</i>	<i>Comment End</i>	<i>Released</i>	<i>Received</i>	<i>Released</i>	<i>nt Rules Proposed</i>	<i>Adopted</i>	<i>Released</i>

<b>Solar Successor Incentive (SI) Timeline</b>						
<b>Date</b>	<b>8/20</b>	<b>9/20</b>	<b>11/20</b>	<b>12/20</b>	<b>1/21</b>	<b>6/21</b>
	<i>SI Initial Straw</i>	<i>SI</i>				
	<i>Proposal</i>	<i>Stakeholder</i>	<i>SI Final Straw</i>		<i>SI Permanent Rules</i>	<i>SI Rules</i>
<i>Milestone</i>	<i>Released</i>	<i>Meetings</i>	<i>Released</i>		<i>Proposed</i>	<i>Adopted</i>