

New Jersey Community Solar Energy Pilot Program
BPU Docket No. QO18060646
Comments from Atlantic County Utilities Authority
in response to the BPU Notice of July 9, 2020

Dear Secretary Camacho-Welch:

The Atlantic County Utilities Authority (ACUA) appreciates the opportunity to answer Question 2(c) and Question 6 under Topic 1: Equity and the Inclusion of Low- and Moderate-Income Households.

In Program Year 1 of the Community Solar Pilot Program, ACUA was awarded participation to use its landfill to bring solar to 100% LMI customers, well in excess of the BPU mandate, in support of New Jersey's environmental justice policies. While we are ecstatic to have the chance to serve these LMI customers in the Community Solar Program, ACUA asks that the Board acknowledges the LMI community that cannot be fully served by master-metered contracts - that is, individually-metered LMI households are the large majority of LMI customers. Individually-metered LMI households are as deserving of access to solar programs as those LMI customers in master-metered housing, but face many more obstacles to that goal. The below comments address how the Board can adjust the Community Solar Pilot Program for Year 2 to allow **all** LMI customers to benefit from solar energy, regardless of their living situation. Should the BPU adopt these recommendations, ACUA intends to use them to serve its low income individually metered customers.

Question 2(c): What would be the advantages and risks of implementing opt-out for community solar? Is an opt-out model the best approach to facilitating low- and moderate-income subscriber enrollment?

An opt-out model is the best approach to facilitating low- and moderate-income subscriber enrollment for multiple reasons: (1) the opt-out model puts the municipality or AUA squarely in the role as the responsible party, thus ensuring the interests of the residents are paramount; (2) the opt-out model, with the same protections and regulations utilized in GEA programs, has been proven successful in dozens of municipalities and shown to be effective in preventing the "slamming" of customers; and (3) the current "opt-in" subscription method requiring wet or electronic signatures creates a barrier to entry for LMI customers through its costliness and inconvenience. The "opt-in" model cannot bring access to all LMI customers and will result in lost savings to the end-use customer because acquiring subscribers one-by-one will be work-intensive and costly. Additionally, signing up the LMI customers one-by-one will be burdensome considering the unreasonable amount of paperwork required for an LMI customer to opt-in.

In order to create a program that can successfully reach individually-metered LMI customers, the BPU should permit waivers from its rule to allow opt-out in the Round 2 Application Process.

Question 6: What additional suggestions do you have to facilitate inclusion of LMI households?

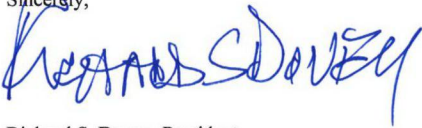
Billing is an additional barrier to the participation of LMI households in the Community Solar Program. The utilities already include the charges levied by default suppliers on their bills and pay their default (BGS) suppliers on a regular and prompt basis regardless of the customers' payment patterns or histories. The BPU should have the utilities provide this same billing and revenue collection for LMI community solar. The confusion of two bills is avoided and customer revenue is covered. This would mitigate and address the credit risk that would otherwise restrict Community Solar for individually metered LMI customers. These projects can then be financeable and developed. The result is acceptance of LMI customers into the program and lower cost solar energy to those customers. If the Board truly wants to have its Community Solar Program reach LMI customers, it should vigorously pursue and allow the above approach in Program Year2 and beyond.

Stated differently, without this approach Community Solar LMI Projects will face unending collection and credit issues, which will invariably prevent projects from being developed. It will simply repeat the oversights of the past, i.e., the inability of solar developers to service LMI customers because of credit and financing limitations. The solution is in the BPU's hands; the BPU protects BGS suppliers (and utilities), and Community Solar projects certainly deserve the same measure of protection as BGS suppliers.

The ACUA requests that the Board consider our above comments and recommendations for the Community Solar Pilot Program, as these measures are the best way to ensure all LMI customers can benefit from solar energy, and to open the door to more 100% LMI projects.

The ACUA appreciates the opportunity to provide these comments.

Sincerely,

A handwritten signature in blue ink, appearing to read "Richard S. Dovey". The signature is fluid and cursive, with the first name "Richard" and last name "Dovey" being the most prominent parts.

Richard S. Dovey, President