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Aida Camacho-Welch, Esq.
Secretary of the Board
Board of Public Utilities
44 South Clinton Avenue
3rd Floor, Suite 314
Post Office Box 350
Trenton, New Jersey 08625-0350

**Re: Borough of Highland Park Comments Regarding Docket No. QO18060646,
Community Solar Consolidated Billing of Subscriber Fees**

Dear Secretary Camacho-Welch:

Thank you for this opportunity to provide input on the Community Solar Consolidated Billing stakeholder process.

The Borough of Highland Park has a long standing history, commitment, and track record on sustainability issues, with a particular emphasis on energy projects. In 2007, we established one of the state's first Green Community Plans with the support of the New Jersey Sustainable State Institute. In 2013, we received the Silver Level of Sustainability from Sustainable New Jersey, where we set the standard for Sustainable Jersey's Residential Energy Efficiency action. In 2017, we were selected for Phase I and this year Phase II of the BPU's TC DER Microgrid Program. Accordingly, Highland Park has leadership-level experience, interest, and understanding of New Jersey's clean energy regulations; considering this, along with our duty to serve the best interests of our residents, we feel it is important that the Borough advocates strongly on this important issue.

Please accept the following comments on Community Solar Consolidated Billing of Subscriber Fees, *Docket No. QO18060646*. We provide these comments in response to the Notice of Request for Comments issued by BPU on March 11, 2021.

First, to provide the clarification requested by Jackie Galka, NJBPU Division of Energy, at the March 25, 2021 Stakeholder Meeting Webinar:

1. The use of the term "BGS-Style Consolidated Billing" during verbal comments was not intended to imply that there is any type of purchase of receivables by the utility from a BGS (Basic Generation Service) Supplier; rather, it was intended as abbreviated language

for the payment protocol employed when a customer is receiving Basic Generation Service, whereby the payment by the EDC (Electric Distribution Company) to the BGS Supplier(s) is completely separate from, and is not dependent upon, payment by the retail customer for BGS service. Using this same protocol for Community Solar, the EDC would provide payment to the solar provider on a full (i.e. no deductions, payments, or offsets) and timely (i.e. monthly) basis, regardless of the customer payment status. We apologize for any confusion caused by phraseology.

2. It would be appropriate and acceptable that, in “exchange” for the security of the BGS-style Consolidated Billing described in the above answer, the community solar project must guarantee savings to their subscribers.

The following comments pertain to Question 2 of the Notice of Request for Comments issued by BPU:

1. **Highland Park strongly recommends that “Utility Consolidated Billing” be made available as soon as possible, and importantly, we further advocate that the consolidated billing offering use features of BGS Consolidated Billing for Community Solar Consolidated billing.**
2. First, receiving two separate bills makes it difficult and confusing for a customer to identify the savings under a community solar program. Because the bills will be received at different times, with different terms, customers will find it difficult to calculate their bill savings; and program sign-up and expansion will suffer.
3. Second, relying on customers to make payment on their new, second bill from the community solar provider imposes significant collection and credit risk on community solar providers, which will hurt the BPU’s efforts to expand the benefits of solar energy to LMI customers. LMI customers are frequently prone to significant delays on payment since they usually must prioritize which bills to pay. Accordingly, the LMI resident is likely to be in arrears on their bills. These late and delinquent payment patterns will make financing and cash flow very difficult for community solar providers to serve LMI customers. This, in turn, will seriously hurt the financing, development, and success of community solar for LMI customers. Higher risk translates into higher project costs which means less LMI customer enrollment and reduced savings for LMI customers.
4. **TPS consolidated billing (a focus of the Notice) should NOT be used as a basis for Community Solar Consolidated Billing.** TPS (Third Party Supplier) Billing allows for the utility to drop a customer from consolidated billing if a customer is in arrearage for more than 120 days. The customer would then be placed back into the dual-billing system, which then creates all the problems detailed above. Due to this provision, the use of TPS structure of consolidated billing would be counter-productive to the BPU’s efforts to expand the benefits of solar to LMI customers.

5. Instead of using the structure of TPS consolidated billing, the BPU should adopt the mechanism of consolidated billing that is already successfully employed in its BGS Program. The BGS Program (the electric service provided to customers who do not shop for power supply in New Jersey's deregulated market) includes a consolidated billing mechanism, with all charges on the utility bill. BGS providers have their charges collected directly on the utility bill, and – importantly -- the utility makes regular payment to BGS providers on a monthly basis, regardless of whether or when customers pay their bills.
6. Under the BGS billing model, the utility is prohibited from removing a customer from consolidated billing if they are in arrears. The BPU has used this approach for over two decades to support a successful BGS program by giving payment certainty and financial security to BGS providers. From an environmental and social justice perspective, it would be equitable to provide this same treatment to LMI customers enrolled in community solar.
7. Since BGS benefits from this billing approach, it's only fair that community solar for LMI customers get the same treatment, especially since most LMI customers are on BGS service. Adopting this approach for LMI community solar programs would reduce the cost to finance and operate projects serving LMI and will accelerate the BPU's efforts to reach LMI customers. Without it, community solar providers will increase rates to LMI customers and will receive a financial signal to minimize, rather than pursue, enrollment of individually billed LMI customers.
8. The EDC's administrative and other costs to establish and maintain this consolidated billing approach should be recovered from all ratepayers as is the case for a myriad of other customer collectible and clean energy costs.

In sum, we urge the BPU to require the utilities to quickly implement and use the same consolidated billing method that is already used for BGS for at least all LMI customers, and ideally for all customers.

Thank you for your time and consideration.

Sincerely,

A handwritten signature in blue ink, appearing to read "Gayle Brill Mittler".

Gayle Brill Mittler
Mayor