



VIA ELECTRONIC MAIL

May 27, 2021

Comments regarding Docket No. QO20020184, Solar Successor Program

Dear Secretary Camacho,

Sunwealth Power, Inc. is a public benefit corporation headquartered in Massachusetts that develops, finances, owns, and operates commercial-scale solar projects. Sunwealth works to build a solar energy economy that is far-reaching and inclusive, and it is grateful that the New Jersey Board of Public Utilities shares this vision. Sunwealth thanks the New Jersey Board of Public Utilities for the prior work it has done to grow and democratize the clean energy economy, and it appreciates the steps that the BPU is taking to continue supporting solar energy development with the Solar Successor Program.

Our team has carefully reviewed the Solar Successor Program Staff Straw Proposal, and we humbly submit the following suggestions:

- 1.) Under the Community Solar Energy Pilot Program's definition of LMI projects, 51% of project capacity must be allocated to LMI subscribers. Sunwealth advocates that the definition of LMI projects be amended in the Permanent Program to also support administration of Community Solar savings via **a no-cost option for LMI subscribers that supports greater savings, simplified billing, and reduced administrative costs.** Under the Board's current recommendation, a minimum of 10% savings would be provided to LMI subscribers, equating to 5.1% of bill credit value distributed as savings to LMI subscribers (10% savings x 51% capacity=5.1%). The Permanent Program should expand the definition of LMI Community Solar to include projects that deliver 10% of all bill credits to LMI subscribers *at no cost*. This no-cost option would:
 - Double the savings provided to LMI households (from a minimum of 5.1% to 10% of total bill credit value).
 - Eliminate need for two monthly payments (one to the utility and one to the Community Solar provider), avoiding subscriber confusion and hesitance.
 - Eliminate costs associated with subscriber management, including monthly billing.

In practice, a no-cost option for LMI subscribers means that a subscriber who previously received \$100 of bill credits and paid \$80 to the Community Solar provider would now simply receive \$20 of bill credits at no cost.

- 2.) Broadening access to the benefits of clean energy through Community Solar is crucial to any vision of the clean energy transition. One of the key components of LMI Community Solar is offering savings to participants that help alleviate energy cost burdens. Sunwealth is proud to be undertaking this work by offering 20% discounts to LMI Community Solar participants who subscribe to the array at the National Blue Army Shrine in Asbury, NJ, which is on track for final completion in July. To ensure that Community Solar in New Jersey continues to offer participants impactful savings, **Sunwealth proposes an incentive value of \$115/MWh for Community Solar and \$145/MWh for LMI Community Solar.** The additional REC revenue, on top of the proposed \$85/MWh incentive for Net Metered projects, enables:
 - a. **Adequate compensation for subscriber acquisition and management partners, as well as funds to cover subscriber turnover.** These contracted fees equate to approximately \$30/MWh for both Community Solar and LMI Community Solar.
 - b. **Additional savings to LMI Community Solar participants.** A 20% discount for LMI participants equates to approximately \$25/MWh. Our experience also shows that

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\$5/MWh of additional costs are spent on LMI subscriber acquisition, management, and turnover.

- i. **Note:** If a no-cost option for LMI Community Solar were implemented under the Permanent Program (as detailed in our first recommendation), costs for LMI subscriber management and turnover would be reduced by approximately \$25/MWh. This reduction in cost would decrease the need for a higher incentive for LMI Community Solar compared with Community Solar, while still affording additional savings to LMI participants.
- 3.) Upgrading commercial spaces for dual usage keeps solar arrays close to the people and businesses that use clean energy, and it maximizes existing developments before turning to undeveloped land. The carport array at the National Blue Army Shrine consists of three canopies, two of which will shelter automobiles and one of which will serve as a recreational pavilion, exemplifying the benefits of dual-use commercial space. The carport array also comes with **substantial additional costs associated with both the purchase of carport materials and the labor necessary for installation (equating to approximately \$0.60/W upfront or \$60/MWh ongoing)**. As such, **Sunwealth proposes an incentive value of \$145/MWh for Net Metered Non-Residential canopies under 2 MW** to ensure that commercial space continues to be developed into dual-purpose clean energy infrastructure.
- 4.) Continued promotion of small and medium Commercial & Industrial solar across New Jersey is vital to maximizing benefits for a diversity of ratepayers. The benefits of installed capacity include energy savings, jobs, property taxes, local ownership, and economic development. To ensure smaller, often lower-budget entities benefit from solar development **Sunwealth proposes that all net-metered non-residential projects > 1 MW participate in the competitive solicitation**. This change recognizes the economies of scale relevant to building larger solar projects, while it also demonstrates a commitment to promoting a diversity of generation unit types across geographies and ratepayers.

The team at Sunwealth appreciates your consideration of our comments and hopes that they contribute to the finalization of a Solar Successor Program that continues building an equitable solar economy.

Sincerely,

DocuSigned by:

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Jonathan Abe
CEO, Sunwealth Power