



## Atlantic County Utilities Authority

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**COMMENTS FROM THE ATLANTIC COUNTY UTILITIES AUTHORITY (ACUA)  
IN THE MATTER OF THE PERMANENT COMMUNITY SOLAR ENERGY PROGRAM DESIGN  
Docket No. QO22030153**

Dear Secretary Camacho-Welch:

Thank you for the opportunity to provide comments in response to the Board's April 11, 2022 Notice of Request for Comments on Docket No. QO22030153.

Please see ACUA's comments below:

**Response to Question 17:**

ACUA asserts that the Board should adopt an auto-enrollment Rule for Community Solar because without such a Rule, an LMI customer will be required to provide wet or electronic signature, an approach that requires a highly intensive (and expensive) marketing and sales effort. These requirements are unreasonably demanding of the customer. Requiring a wet signature or e-signature will stunt participation and be extremely detrimental and counter-productive to the Governor's goal to provide Community Solar benefits to LMI customers. It is also a cost that ratepayers can avoid by using a much more efficient method – the opt out method, with all of the appropriate and proven consumer protections, to enroll customers.

The Board's own "opt-out" rules contain significant provisions to protect customers' privacy and prevent slamming. This is evidenced by the fact that opt-out has worked successfully for over seven years through the Board's administration of its government energy aggregation (GEA) program. If these provisions have worked to protect the hundreds of thousands of customers that have participated in GEA, they can certainly likewise work for the much smaller population, the approximately 800 customers, that would participate in public entities' LMI Community Solar Project.

**Response to Question 20:**

It is urgent the Board take action on the establishment of a well-designed consolidated billing mechanism for Community Solar. ACUA agrees with the report

from New Jersey's utilities (EDCs) which recommended Utility Consolidated Billing (UCB), whereby EDCs provide customers with a single bill containing their normal charges in addition to their Community Solar savings. However, "the devil is in the details", i.e. the EDCs also offered two options for UCB, only one of which ACUA finds acceptable. The less favorable option is to utilize "Separate Line Item" billing: this mechanism would (1) allow EDCs to return the Subscriber to Dual Billing in the event of non-payment, which would be particularly harmful to LMI customers as they are more likely to be behind on payment; and (2) create a payment structure whereby the solar developer is "on the hook" for a subscribers' non-payment, which would decrease the security and financibility of LMI Community Solar Projects.

The far more favorable option provided by the EDCs' report is to utilize the Net Crediting methodology to Community Solar Consolidated Billing, whereby the EDC will pay the solar developer prior to billing the customer, resulting in customer payment risk – which is much higher in the case of LMI customers – to be the responsibility of the EDC, and not the solar developer. Firstly, this is not a new state of affairs for the EDCs: it is standard for a utility to absorb any customer payment risk when a customer is on the default energy service, so there is no reason the EDC could not be responsible for this in the Community Solar Program as well, especially considering the BPU's laudable goal to make this an LMI-focused program. Secondly, Net Crediting provides the solar developer with secure revenue from the utility, and increased security translates to higher savings for the customer and more incentive to invest in LMI Community Solar Projects. Therefore, ACUA strongly requests that BPU disallow the Separate Line Item billing mechanism, and instead establishes the other option, the Net Crediting methodology, for Community Solar Consolidated Billing.

### **Response to Question 21:**

This comment is regarding the proposed automatic-enrollment rule. The proposed rule at N.J.A.C. 14:8.9.4 (k) and the proposed definition of "local government" or "local government entity" in N.J.A.C. 12:8 9.2 unduly limits participation in automatic enrollment project to municipalities only. It would be more appropriate and consistent to replace the term "local government entity" with "Governmental entity", which the existing Rule (N.J.A.C.14:8-9) defines under N.J.S.A. 48:3-51 as: any federal, state, municipal, local or other governmental department, commission, board, agency, court, authority or instrumentality having competent jurisdiction. This definition provides the same security as the proposed "local government" definition by way of the phrase "having competent jurisdiction"; this phrase ensures that the government entity has legal and practical responsibility to the Community Solar participants.

Furthermore, please clarify (whether via a rule edit or in a response to this comment) that a County Utilities Authority (in this case the Atlantic County Utilities Authority) may participate in the development and operation of such an automatic

enrollment program with the provision that the Program will include a municipal entity in the Program and enrollment process as its partner.

In the case of ACUA, ACUA will be including as its Project partner, the City of Pleasantville and its Housing Authority in the process. Both ACUA (as an Authority under the jurisdiction of the Atlantic County Board of Commissioners), and the City of Pleasantville are answerable to the public as the Commissioners and City Council are elected officials. This clarification will support the success of the BPU's community solar policy and allow for greater participation by LMI customers with municipal and county support and protection.

Thank you for your time and consideration.

Much appreciated,

  
Richard S. Dovey