



Mark Freda
Mayor

May 6, 2022
New Jersey Board of Public Utilities
44 South Clinton Avenue, 7th Floor
P.O. Box 350
Trenton, New Jersey 08625-0350
Attn: Carmen D. Diaz, Acting Board Secretary
RE: COMMENTS FROM THE MUNICIPALITY OF PRINCETON IN THE MATTER OF THE
PERMANENT COMMUNITY SOLAR ENERGY PROGRAM DESIGN
Docket No. QO22030153

Dear Acting Secretary Diaz,

Princeton is committed to providing clean and affordable energy to its most disadvantaged residents. As such, we support the Governor's and the BPU's Community Solar Energy Program's emphasis on environmental justice and delivering the benefits of solar energy to low and moderate-income (LMI) customers.

We appreciate the opportunity to provide comments in response to the Board's April 11, 2022, Notice of Request for Comments on Docket No. QO22030153. See Princeton's comments to Questions 17, 20, and 21 below:

Q17) In November 2020, the Board proposed a rule amendment to the Community Solar Energy Pilot Program rules, which would have allowed certain projects owned and operated by public entities to automatically enroll subscribers without first seeking subscribers' affirmative consent to join the project. Subscribers would then have the option to "opt out" of the project should they not wish to participate. How can the Board best support subscriber education and acquisition? Should the Board revisit its automatic enrollment proposal, and if yes, how can automatic enrollment be implemented consistent with customer data privacy rights?

A17) Municipalities like Princeton exist to serve the public good. We bear the responsibility of protecting our community members as no private entity does. We believe the application of government energy aggregation (GEA) program opt-out rules to community solar provides necessary access to the LMI communities that the Community Solar Pilot Program aims to serve. The GEA opt-out rules protect hundreds of thousands of customers participating in GEA programs today in New Jersey, and they will work for LMI community solar customers. Princeton launched a renewable government energy aggregation program in 2020 and has experienced firsthand how this



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structure is a powerful tool for making significant steps toward cleaner, affordable energy.

The current "opt-in" subscription method requiring wet or electronic signatures creates a barrier to entry for LMI customers. The unnecessary costs from highly intensive (and expensive) marketing and sales efforts to get LMI customer signatures will be passed on to them by private developers and subscriber organizations. These costs are avoided when a Municipality vets and procures a community solar project partner on behalf of its LMI residents. Municipalities are also in a good position to maximize participation for LMI customers. Working closely with affordable housing entities, as there may be several in a town as there are in Princeton, a municipality can reach all of the qualified LMI customers spread out across town in a program design that can include master and individually metered apartment developments, and single-family homes. Without an opt-out approach, significant numbers of individually metered customers will not be enrolled in or benefit from Community Solar. This is an opportunity for New Jersey to lead the nation in LMI customer enrollment.

Furthermore, we believe using the GEA opt-out method will protect the data privacy rights of LMI customers. The GEA model allows a municipality to procure a community solar project partner using a transparent, public, and competitive process to secure the best terms for all LMI residents. It also puts the municipality squarely in the role of the trusted, responsible party.

Q20) In May 2021, following an opportunity for public comment, the EDCs submitted a report to the Board with options and recommendations regarding the implementation of consolidated billing for community solar. In summary, the EDCs recommend that, if the Board adopts consolidated billing for community solar projects, this billing process be handled by the EDCs. The EDCs further recommended that the method of reflecting subscription fees on a subscriber's EDC bill be determined by each EDC based on the format that best corresponds to their existing billing practices. The EDCs did not recommend that the Board allow non EDC billing options. Do you agree with the EDCs' recommendations? If not, why? How do you recommend the Board address payment default by customers?

A20) We agree with the EDC's position in their May 2021 Report that for Community Solar to be successfully implemented EDCs should optionally provide consolidated billing under UCB (Utility Consolidated Billing), whereby EDCs provide one bill to customers, which includes their Community Solar savings. Furthermore, UCB should be designed in the same manner as EDCs



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currently provide such billing for Basic Generation Service (BGS) Providers. Under BGS, EDCs bill customers, collect revenues, administer collection (or termination) activities, and pay BGS Providers on a regular basis. This approach can be used for Community Solar, as it imposes no additional collection or payment risk on EDCs than is currently the case. In fact, it may improve collections of EDC revenues since the participating Community Solar customers will have lower monthly bills. EDCs should also be able to charge a fee to reflect its administration and recover its reasonable costs.

Without such a mechanism, Community Solar to LMI customers cannot move forward significantly and comprehensively as credit and payment risks will cause solar providers to avoid or limit LMI customer participation. This approach (“net crediting”) will also reduce the risk and cost of financing projects in the Community Solar Program and lower rates for participating customers.

Q21) Please provide comments on any issues not specifically addressed in the questions above.

A21) The BPU should consider allowing for a scenario where, following a competitive request for proposals (RFP), municipalities could select to partner with a community solar developer that has an approved project(s) with unsubscribed load. The RFP would include the auto-enroll method described in Q17 and A17 but would allow respondents to propose to provide load for either a future project, an existing project, or a combination of both with the same terms for all subscribers.

Thank you for your time and consideration.

Sincerely,

A handwritten signature in black ink, appearing to read "Mark Freda".

Mayor Mark Freda

