



**Docket No. QO22030153, IN THE MATTER OF THE COMMUNITY SOLAR ENERGY PROGRAM
Comments of 174 Power Global NE, LLC.**

174 Power Global NE, LLC.'s responses are below in bold.

I. Program Design and Eligibility

1) The Solar Act of 2021 states that the new Successor Solar Incentive Program should aim to provide incentives for at least 150 MW of community solar facilities per year. How should the annual Permanent Program capacity limit account for potential project “scrub” (i.e., planned projects that do not reach commercial operation)?

To ensure that all planned capacity is developed for the community solar segment of the ADI program it is critical that unused capacity from one year be rolled over to the next. 174 Power Global recommends all unused capacity from a given year due to scrubbing, or non-use, be rolled over to the subsequent year as well as all funds associated with said capacity.

2) Should the Permanent Program capacity be divided into separate blocks, and if yes, how? (i.e., By EDC service territory? By project type or size)? Additionally, the Solar Act of 2021 requires the Board to consider “the economic and demographic characteristics of the area served by the facility, including whether it is located in an overburdened community[.]”¹ How should any blocks address this requirement?

174 Power Global supports allocating community solar capacity by EDC to ensure that there is equal access to the program, particularly for disadvantaged communities across the state.

3) Staff intends to recommend similar qualifications and ownership restrictions for solar developers participating in the Permanent Program as were implemented in the Pilot Program. Please comment.

174 Power Global found none of the qualification and ownership requirements of the pilot program objectionable. We also recommend maintaining the prohibition on utility ownership.

4) What land use restrictions and limitations, if any, should apply to the siting of community solar projects? While Section 6 of the Solar Act of 2021 does not establish siting standards for Community Solar projects, should the Board adopt comparable standards be extended to also apply to community solar facilities? What should those standards look like?

174 Power Global does not think section 6 of the solar act should be extended to apply to community solar facilities. We believe there are better ways to achieve the goal of siting community solar projects on prime sites in the built environment without creating more regulatory hurdles.

If the BPU chooses to move forward with a first come first serve model, we would support putting restrictions around what projects could access capacity. These requirements would include having projects with the required % LMI off-takers, located on preferred siting (rooftops and parking lots in the built environment, as well as brownfields).

5) The CEA states that the Permanent Program rules and regulations shall “establish standards, fees, and uniform procedures for solar energy projects to be connected to the distribution system of an electric public utility” (Section 5(f)(11)). What changes, if any, should be made to the existing community solar interconnection standards and processes?

174 Power Global supports SEIA-NJSEC's joint comments regarding a “pre-application” process to streamline community solar applications.

6) What measures should the Board implement to minimize negative impacts to the distribution system and maximize grid benefits?

174 Power Global supports SEIA and NJSEC's comments with regards to establishing an interconnection working group to study this issue in greater detail. We also support the recommendation that the Board consider the (BATRIES) project.

II. Project Selection

7) How should projects be selected for participation in the Permanent Program? Please provide a detailed description and discussion of the advantages and disadvantages of your proposed method of selection, with an emphasis on establishing criteria that are transparent and easily verifiable.

174 Power Global supports using a first come-first serve model for the permanent community solar program that utilizes strong maturity requirements. 174 Power Global strongly supports the goal of cost savings to LMI communities and believes this should be at the core of requirements as well as siting projects on preferred locations including rooftops, parking lots, and brownfields.

Utilizing the above criteria would ensure that capacity is allocated to projects that 1) have site control of a 2) preferred site, 3) in which interconnection thresholds and costs are, to the extent possible, largely grounded in the results of the pre-application or interconnection study, with 4) developer and partners ability and project structure to service LMI and otherwise disadvantaged subscribers and communities.

While these maturity hurdles do not fully preclude the additional scrubbing needed to ensure the continued viability of projects as they move through further development towards completion, they will ensure greater initial project quality, and by stepping up the timing for ADI compliance, will encourage and result in efficiency by beginning the ongoing “scrubbing” process earlier, and minimizing delays in any needed re-allocation of capacity for both near-term and thus subsequent years.

8) Should the Board consider creating a waitlist for non-selected projects? If yes, why would a waitlist support the continued development of community solar projects without increasing program oversubscription? How should this waiting list be implemented to avoid a situation where all capacity is spoken for months or years ahead of a solicitation?

174 Power Global does not support a waitlist for non-selected projects. We prefer a rollover program where unused and scrubbed capacity is reallocated to subsequent years.

9) What minimum maturity requirements should projects be required to meet before applying to participate in the Permanent Program? To what extent should the Community Solar Energy Program maturity requirements be different from, or similar to, the requirements for projects to apply to the Administratively Determined Incentive (“ADI”) Program?

174 Power Global supports having strong maturity requirements to ensure projects that are awarded capacity, have the best chance to be completed on time and meet intended goals including serving LMI communities. In the case that the BPU moves forward with a first come first serve model we think the following should be used as minimum requirements for applications:

- **Site control**
- **Non-ministerial permits.**
- **A Permit Plan-set.**
- **Development security deposit of \$30 to \$60/kW-dc**
 - **The deposit shall be made once capacity is awarded and then returned when the project achieves Commercial Operation. The deposit should be forfeited if the project does not come online by the construction deadline, which may be extended by Board Order.**
- **Evidence of ability to support the financing of the project; which may include recent financial statements, a financial letter of good standing, or other acceptable documentation to be determined by the BPU.**
- **Subscription Plan, and if/as needed, a Subscriber Organization to administer subscriptions in instances where project owner and/or project developer is not also the Subscriber Organization**

10) Should the Board consider any changes to the coordination between community solar project awards and the process for registering for the ADI Program?

174 Power Global does not have comments on this question.

III. Low- and Moderate-Income Access

11) What policies and measures should the Board consider to ensure that the Permanent Program maintains a high level of low- to moderate-income (“LMI”) participation? How can the Board support community outreach and education?

174 Power Global supports a self-attestation model for LMI verification. Currently residents' ability to participate is limited to participation in certain programs or location in certain geographic areas. While we respect the desire to ensure that the intended beneficiaries receive the benefits of the program, we believe the pool of residents who could benefit from community solar is larger than that. Self-attestation lowers the barriers to entry meaning more residents will benefit. It also increases the stability of subscriber supply, which should lower acquisition costs allowing for more savings to be passed onto subscribers.

We support SEIA and NJSEC’s recommendation that the BPU should consider lowering the qualified census tracts for LMI verification to 50% of the households in the census tract that earn less than 55% of the median income.

12) Should the Board modify the Pilot Program's income verification standards (see the Pilot Program rules at N.J.A.C. 14:8-9.8)? If so, how?

We support a self-attestation model with reduced geographic requirements as noted above.

13) How should the Board consider "the economic and demographic characteristics of the area served by the facility, including whether it is located in an overburdened community, as that term is defined in section 2 of P.L.2020, c.92"?

174 Power Global has no comments on this question.

IV. Community Solar Subscribers

14) What should the geographic limitations for community solar projects and subscribers be (i.e., How far from the project can subscribers to the project reside)? For context, the Pilot Program allowed projects to self-select the geographic limits of the project. Projects could choose between three options: municipality and adjacent municipalities, county and adjacent counties, and no limit (EDC-wide).

174 Power Global supports an EDC wide limit for project subscriptions for all projects. For similar reasons we support self-attestation we support expanded limits for project subscribers. Having a reliable base for subscribers is crucial to the program's success. Increasing geographic eligibility will decrease soft costs and in effect allow for greater savings to be passed onto subscribers.

15) The Pilot Program mandated that each community solar project must have a minimum of 10 subscribers, and a maximum of 250 subscribers per MW of installed capacity. Should either of these mandates be changed under the Permanent Program?

174 Power Global has no opinion on the 10-subscriber minimum. As regards the maximum subscriber cap, we would support eliminating the upward limit for subscribers completely or setting it at 1,000 per project. In the spirit of inclusivity, we think it is important to include subscribers who may have lower demand for electricity, thus necessitating in many cases a greater number of subscribers to ensure full allocation of a project's capacity. For a 5MW project 250 subscribers would result in each subscriber getting 20kW of capacity, whereas 1,000 would allow for each subscriber to get 5kW of capacity, which falls more in line with the energy offset needs associated with apartments, smaller residences, and aligns the program's goals of LMI and disadvantaged community participation. Again, 174 Power Global advises eliminating the 250-subscriber maximum.

16) Should the Board make any modifications to the consumer protection measures implemented under the Pilot Program?

174 Power Global thinks the current consumer protection measures are sufficient and does not recommend any modifications.

17) 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?

174 Power Global supports SEIA and NJSEC's Joint comments regarding starting a working group to explore this topic further.

V. Community Solar Bill Credits

18) If applicable, please discuss your experience with subscriber management and the allocation of community solar bill credits. What changes, if any, should be made to communications between community solar subscriber organizations and the EDCs, or to the allocation of bill credits by the EDCs?

174 Power Global Supports SEIA and NJSEC's comments on this question with regards to setting up a working group of relevant stakeholders to work through issues that arise and improve processes.

19) What modifications, if any, should the Board consider making to the value of the community solar bill credits?

174 Power Global supports SEIA and NJSEC's comments on this question.

20) 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?

As noted in Question 17 and 18 above 174 Power Global supports the idea of a working group to address billing issues and improve processes between EDC's, Subscriber organizations and other relevant stakeholders. We believe that consolidated billing falls under that umbrella. While 174 Power Global recognizes the value of consolidated billing, we are nonetheless aware that its application does not necessarily extend to all circumstances – at least not uniformly.

Before fully endorsing a consolidated billing only approach, a greater understanding of the proposed EDC parameters and/or limitations of this process is needed; for example, consolidated billing in some markets to-date requires levelized subscriber discounts across all subscribers, regardless their status as LMI, non-LMI, and Anchor off taker. As subscriber energy discounts can vary according to subscriber type, consolidated billing in many cases can negatively impact both the project economics, as well as the spirit and intent of the project and the community served. Additionally, while there is in theory a direct subscriber benefit vis a vis consolidated billing via reduction of the invoicing otherwise needed, there nonetheless remains concern about overall customer experience, customer care, and ultimately retention.

Without a more detailed dialogue and understanding as the proposed working group would result in, we would thus at this time recommend consolidated billing as an optional billing program that can be selected on a project respective basis without impacting project acceptance into the program.

VI. Other

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

174 Power Global supports SEIA and NJSEC's comments for including dual-use projects as preferred siting under certain conditions to be developed during the dual use stakeholder process. We would also add that if dual use cannot be considered preferred siting, that the board sets aside a portion of capacity in the new community solar program for community solar projects sited on dual use agricultural sites.

We would also recommend that the board evaluate how energy storage can play a role in community solar projects. Battery storage creates flexibility in how electricity from these projects is put onto the grid giving EDCs more relief when demand is at its' highest. It can also limit the need for costly distribution upgrades by the EDCs. The demand response and grid benefits battery storage systems provide to the EDCs along with the ability to combat the duck curve of solar production we believe batteries would add value to these projects that is not currently accounted for. In addition to the increased value batteries would add to these projects further incentivizing battery storage will help New Jersey achieve its stated battery storage goals. We would recommend that the Board evaluate how projects can be additionally compensated for adding battery storage systems to a community solar project.

Thank you for taking the time to read our comments. 174 Power Global appreciates the work of Board Staff. These are complex and critical issues, and we recognize the position of the BPU, so we thank you in advance for what is sure to be a rigorous but necessary process.

Sincerely,

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