June 20, 2022

SUBMITTED VIA EMAIL

board.secretary@bpu.nj.gov

Secretary of the Board

State of New Jersey Board of Public Utilities 44 South Clinton Avenue, 9th Floor Post Office Box 350 Trenton, NJ 08625-0350

RE: Docket No. QO21101186

Dear Acting Secretary Diaz,

The American Clean Power Association ("ACP") thanks the New Jersey Board of Public Utilities ("BPU") for the opportunity to offer comments regarding the Competitive Solar Incentive ("CSI") Program and commends the staff for the inclusion of energy storage in its Straw Proposal.

ACP appreciates BPU's inclusion of the Storage Paired with Grid Supply Solar Tranche within the CSI program, and the availability of a storage adder incentive for projects in several of the tranches up to the targeted amount of 160 MWh of storage. As BPU contemplates the next phase of the CSI program, ACP maintains and reiterates comments submitted by the Energy Storage Association regarding Docket No. QO20020184 – Solar Successor Program¹. As such, ACP recommends that the BPU consider the previously submitted incentive designs to ensure the most successful deployment of storage resources collocated with solar projects in the proposed CSI program.

ACP recommends that the storage incentive consist of a separate, one-time payment based on installed storage capacity. Energy storage systems integrated with solar power facilities should be compensated through a separate capacity-based incentive, rather than an incentive tied to associated generation output as proposed by staff. Energy storage is not simply generation, but rather a distinct asset class that offers unique attributes. Importantly, it is a bidirectional and completely controllable resource. Accordingly, it does not make sense to incentivize energy storage per unit of electricity output, but rather per unit of installed stored energy capacity, which may then be used to charge, discharge, or sit in standby mode as the circumstances require to maximize value.

The American Clean Power Association is grateful for the work of the BPU to develop this CSI program and the solar-plus-storage incentive included in Tranche 5. The BPU is positioned to take swift action to support the rapid deployment of energy storage resources, which will provide significant value to ratepayers and advance the State's clean energy goals.

ACP thanks the BPU for the opportunity to provide comments and for its consideration of these recommendations.

Sincerely,

Noah Roberts

Director, Energy Storage

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American Clean Power Association

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¹ Energy Storage Association Submission re: Docket No. QO20020184 – Solar Successor Program | May 27, 2021 | 2021.05.27_NJBPU_Solar-Successor-Program-Comments-1.pdf (energystorage.org)