



230 West Street, Suite 150, Columbus, Ohio 43215
www.armadapower.com

December 12, 2022

New Jersey Board of Public Utilities
Acting Secretary of the Board
44 South Clinton Avenue, 9th Floor
Post Office Box 350
Trenton, New Jersey 08625
Submitted Electronically to Docket No. QO22080540

**Re: In the matter of the New Jersey Energy Storage Incentive Program,
BPU Docket No. QO22080540**

Dear Acting Secretary Diaz:

Armada Power, LLC (“Armada Power”) appreciates this opportunity to submit comments in response to the New Jersey Board of Public Utilities’ (“Board” “BPU”) Notice dated September 29, 2022 regarding the Board Staff’s New Jersey Storage Incentive Program (“NJSIP”) Straw Proposal. Armada Power believes the NJSIP Straw Proposal is a great step toward the state of New Jersey achieving 2,000MW of storage by 2030. Armada Power is a U.S.-based company that develops and manufactures control devices to be installed on any electric resistance water heater for thermal storage. These devices, manufactured in the United States, provide 1.6 kW of storage per device, with negligible comfort impacts. Utilizing the thermal storage benefits of water heaters, Armada Power is able to aggregate residential water heaters to respond to the needs of the grid in a measurable manner. Each individual device can shift approximately 1 kW with a maximum of 4.5 kW and avoid approximately one ton of carbon annually by avoiding peak demand, as well as a guaranteed callable load control for a non-wires alternative to reduce strain on the electric grid.

In general, Armada Power is supportive of the NJSIP Straw Proposal. The current Storage Incentive Program states that the incentives will be technology neutral and only based on meeting the functional requirements. Armada Power proposes some of these functional requirements to be expanded to encourage adoption of diverse forms of storage, including thermal, mechanical, and battery storage. Not all forms of storage are dispatchable, but all forms of storage will provide benefits to the storage systems in the aggregate and to the grid. Non-dispatchable storage technologies help ease the burden of short-duration discharge, preserving dispatchable storage capacity and maintaining the devices' lifespan. Non-dispatchable storage must also be incentivized for adopting the most cost-effective energy storage systems. These

non-dispatchable storage systems provide grid resiliency and flexibility services such as peak load shaving, voltage control, and demand response. These grid services provide benefits to the system and help manage carbon emissions. Value stacking revenue is vital to deploy and adopt storage technologies.

As the Board implements behind-the-meter storage resources based on where in the system the resource is located, the Board should also consider programs developed on customer types within customer classes, particularly, multifamily properties within the residential customer class. As of 2020, approximately 47% of New Jerseyans live in multifamily property residences. Unlike single family homeowners, renters have a unique relationship with their property. Renters typically retain separate utility accounts but have limited ability to install devices. Renters have frequented and consistent turnover rates, which makes controlling load more difficult and unpredictable due to low enrollment, not device availability. These gaps between enrolling customers and device ownership create an unnecessary loss of load control of storage assets. Policies which recognize property ownership and utility account ownership for the intricacies of rental and multifamily customers will enhance residential adoption of storage technologies, including vehicle to grid programs and thermal storage devices, while providing the storage and grid benefits.

Armada Power appreciates the opportunity to submit these comments in response to the New Jersey Energy Storage Incentive Program Straw Proposal and looks forward to continuing engagement with the Board of Public Utilities in the development of storage program in New Jersey.

Sincerely,

Kathleen McManus
Government and Regulatory Affairs Specialist
Armada Power, LLC
kmcmanus@armadapower.com