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"Protecting Public Health and the Environment"

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March 14, 2023

Carmen Diaz
Acting Secretary of the Board
New Jersey Board of Public Utilities
44 South Clinton Ave
Trenton, NJ 08625

Re: Docket No. QO21101186 - Competitive Solar Incentive Program

Dear Secretary Diaz:

The Passaic Valley Sewerage Commission ("PVSC") wishes to provide comments to the issues raised by the Board of Public Utilities ("BPU") regarding the registration requirements under the Competitive Solar Incentive ("CSI"). PVSC is concerned that some of the requirements may be difficult to obtain within the prescribed 30-day window from the announcement of awards.

PVSC is very interested in participating in tranche 4 of the CSI solicitation. However, in reviewing the pre-qualification requirements along with the post award requirements, we believe that some of those requirements may serve to limit competition and discourage participation. The two most significant concerns are:

1. A 30-day window is insufficient for a contract between the primary installer or the third-party owner, as applicable, and the bidder or customer of record, and
2. Permitting requirements in hand or submitted to the relevant jurisdiction is not reasonable or achievable.

Accordingly, PVSC respectfully urges Staff to extend the contracting period to one year and remove permitting requirement from the registration package.

PVSC further provides the following responses to specific questions posed by BPU:

- 1. Have you experienced, or do you anticipate barriers to submitting applications for electrical and building permits to relevant municipalities within the timeframe in accordance with the requirements of the CSI Program?**

Yes. While PVSC is not subject to local jurisdiction permitting requirements, it is subject to state and federal permitting requirements. Specifications included in permit modification applications are the result of a detailed multi-step process that refines the development package through a sequence of activities. The process to arrive at a final application can take 12 to 18 months and requires significant capital. Further, the permit issuance process can be significantly delayed if review under the New Jersey Environmental Justice Law is required. PVSC's development strategy cannot proceed without knowing that a state incentive has been secured.

- 2. What if any, changes to the registration requirement do you consider necessary?**

In addition to the above, we recommend Staff enlarge the 30-day registration period with a contract. A 30-day window is insufficient for a contract between the primary installer or the third-party owner, as applicable, and the bidder or customer of record. Depending on the value of the contract, PVSC—as a public entity—is subject to contract review by the State Comptroller's Office. That alone is often a multi-month process. Furthermore, until an incentive award is confirmed, we cannot justify the expenditure public funds for legal and other consultant fees that would otherwise be required to finalize our contracts. As such, we typically follow a cautious approach which means our contracting process may extend for several months post incentive award. Once contract negotiations are finalized, we still require a multi-month process for board approvals and may require state-level review before executing. Thus, three (3) months is simply not adequate. If a time requirement is imposed, it should provide as much latitude for adequate contract considerations consistent with a 36-month CSI award timeline. We therefore recommend that Staff modify the contract requirement to be delivered within one (1) year of the CSI award.

We appreciate your time and attention to this matter. Please contact me if there are any questions.

Very truly yours,



MICHAEL D. WITT, ESQ.
General Counsel

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c: Gregory A. Tramontozzi, Executive Director
John Rotolo, Chief Engineer