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April 24, 2023

VIA ELECTRONIC MAIL

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Sherri L. Golden
Secretary of the Board
Board of Public Utilities
44 South Clinton Avenue, 1st Floor
P.O. Box 350
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RE: In the Matter of the Modernizing New Jersey's Interconnection Rules, Processes
and Metrics ("Grid Modernization")
BPU Docket No. QO21010085

Dear Secretary Golden:

Enclosed please find Atlantic City Electric Company's Comments on Modernizing New Jersey's Interconnection Rules, Process and Metrics.

Consistent with the Order issued by the Board in connection with *In the Matter of the New Jersey Board of Public Utilities' Response to the COVID-19 Pandemic for a Temporary Waiver of Requirements for Certain Non-Essential Obligations*, BPU Docket No. EO20030254, Order dated March 19, 2020, this document is being electronically filed with the Acting Secretary of the Board, the Division of Law, and the New Jersey Division of Rate Counsel. No paper copies will follow.

Thank you for your consideration and courtesies. Feel free to contact me with any questions or if I can be of further assistance.

Respectfully submitted,



Cynthia L.M. Holland
Attorney at Law of the
State of New Jersey

Enclosure

**In the Matter of Modernizing New Jersey’s Interconnection Rules, Processes, and Metrics
 (“Grid Modernization”), Docket No. QO21010085**

COMMENTS OF ATLANTIC CITY ELECTRIC COMPANY

On January 27, 2023, the New Jersey Board of Public Utilities (“Board” or “BPU”) issued a notice of a virtual stakeholder meeting in the above-captioned docket (the “Notice”) soliciting comments on draft amendments proposed by Board staff (“Staff”) to the BPU’s net metering and interconnection regulations at N.J.A.C. 14:8-4.2 and 14:8-5.1 *et seq.* (the “Draft Amendments”).¹ Atlantic City Electric Company (“ACE” or the “Company”) hereby submits its comments (“Comments”) on Staff’s proposal. The New Jersey electric distribution companies (“EDCs”)² are also submitting joint proposed revisions to the Draft Amendments, at Staff’s request³ (the “Joint Redline”).⁴

ACE has been at the forefront of planning for New Jersey’s clean energy future. As described further herein, ACE has made significant investments to support the growth of distributed energy resources (“DER”) and expects to launch its innovative Powering the Future initiative later this year, which will help modernize the grid in the South Jersey region, open more circuits for solar installations, and leverage modern technology to improve reliability and protect against damaging storms.⁵ The Company thanks the BPU and Staff for taking an important step toward enhancing the Board’s interconnection standards in support of New Jersey’s clean energy

¹ The Draft Amendments were appended to the Notice in Clean (marked Pages C1-C45) and Redline (marked Pages R1-R-50) forms. On March 2, 2023, the Board revised the Notice by extending the deadline for public comments from March 10, 2023 to April 24, 2023.

² The EDCs include ACE, Jersey Central Power & Light Company, Public Service Electric and Gas Company, and Rockland Electric Company.

³ The virtual stakeholder meeting was held on February 10, 2023. Thereafter, Staff met separately with the EDCs and requested that the EDCs collaborate and provide joint comments on the Draft Amendments.

⁴ ACE is submitting the Joint Redline on behalf of the EDCs by a separate letter filing contemporaneously with its Comments.

⁵ See In the Matter of the Petition of Atlantic City Electric Company for Approval of Powering the Future, Infrastructure Investment Program and Related Cost Recovery Mechanism, Pursuant to N.J.A.C. 14:3-2A.1 *et seq.*, Docket No. ER22100666.

policy goals, including the goals memorialized in the 2019 New Jersey Energy Master Plan (“2019 EMP”). Effective and up-to-date interconnection processes will enable ACE and the other EDCs to efficiently integrate more DER while maintaining safe and reliable electric service.

Many of the changes Staff proposed to the BPU’s regulations are reasonable and appropriate. However, some of Staff’s proposed rule changes, particularly those that relate to energy storage, grid flexibility services, proactive system upgrade planning, and the aggregation of DER for participation in wholesale markets, require further study. Notably, the inclusion of such proposals in the Draft Amendments is inconsistent with the recommendations made by Guidehouse Inc. (“Guidehouse”) to the BPU in its August 24, 2022 “Grid Modernization Report”⁶ and the findings in the Board’s November 9, 2022 Order in this proceeding.⁷

ACE agrees with the Board that issues related to interconnecting energy storage, accommodating DER aggregations, grid flexibility management models, and integrating DER with system planning need to be examined more carefully by one or more working groups and addressed in future rulemakings. ACE recommends that the Board remove those proposals from the Draft Amendments that Guidehouse and the Board recognized require further stakeholder review. In addition, the Company urges the Board to accept the revisions to the Draft Amendments proposed by the EDCs to (1) achieve a consistent interconnection application experience in New Jersey without imposing unnecessary costs on EDCs and their customers; (2) allow EDCs to employ advanced power flow modeling in Level 1 and Level 2 interconnection reviews; and (3) adopt a reasonable timeframe for EDCs to comply with the extensive new obligations imposed by the Draft Amendments.

⁶ See Grid Modernization Study: New Jersey Board of Public Utilities, Guidehouse Inc. (Aug. 24, 2022).

⁷ See Order Accepting the Grid Modernization Consultant Final Report and Initiating Rulemaking, In re Modernizing New Jersey’s Interconnection Rules, Processes, and Metrics, Docket No. QO21010085 (Nov. 9, 2022) (the “November Order”).

I. INTRODUCTION AND OVERVIEW

ACE strongly supports the Board's grid modernization efforts and New Jersey's clean energy and carbon-reduction goals. Over the last several years, ACE has experienced an increase in DER interconnection applications⁸ and the Company has some of the highest penetration of net metered customers in New Jersey.⁹ To support this growth, ACE has made major investments in staffing and systems to support increased interconnection of solar energy systems and other DER in its service area. For example, ACE maintains a dedicated webpage to assist in the interconnection of DER and the Company created a new department, Green Power Connect ("GPC"), dedicated to providing new and innovative ways to incent customers to install DER and interconnect to the grid. GPC recently streamlined its processes to reduce the amount of time it takes to evaluate applications and provide a quicker path to DER interconnection.

To further facilitate DER applications and interconnections, ACE released its Connect the Grid ("CTG") online application tool in 2020, which was updated in early 2022 to accommodate almost all DER interconnection requests through the online portal. ACE was also the first New Jersey EDC to develop and post detailed capacity maps on its website so that customers can see if their home or area can support solar or other DER or if any system upgrades would be necessary.¹⁰ In addition, ACE expects to begin implementing its proposed Powering the Future program later this year, which includes 80 interrelated projects that will modernize the grid, enhance reliability, and create new opportunities for residential solar interconnections.

⁸ ACE received approximately 8,000 DER interconnection applications in 2021, up from 6,000 applications in 2020.

⁹ As of the end of 2022, approximately 543 MW of DER is interconnected to ACE's distribution system, and 47,746 of ACE distribution customers participated in net metering.

¹⁰ ACE currently maintains a restricted circuit map showing areas where circuits are restricted, a hosting capacity map showing how much generation can be added to a feeder, and a heat map showing the amount of installed DER on a feeder. See <https://www.atlanticcityelectric.com/MyAccount/MyService/Pages/Technical-Considerations.aspx>.

As the Board is aware, interconnection is a crucial issue for enabling timely deployment of solar energy systems and other clean energy projects in New Jersey. The Board's existing interconnection rules within N.J.A.C. 14:8-5 that apply to Class I renewable energy generating systems were last updated in 2012 – well before the enactment of New Jersey's Clean Energy Act of 2018,¹¹ the 2019 EMP,¹² the Solar Act of 2021,¹³ and several Executive Orders that established an aggressive implementation schedule to shift New Jersey towards renewable energy and away from carbon-based energy production that contributes to climate change.¹⁴ The Company appreciates this opportunity to offer comments on Staff's proposals to implement the interconnection policy improvements recommended in the Grid Modernization Report and adopted by the BPU.¹⁵

The Grid Modernization Report contains four near-term recommendations (the "Near-Term Recommendations"):

1. **Recommendation #1:** The Report recommends that the Board implement the latest grid interconnection standards of the Institute of Electrical and Electronics Engineers ("IEEE") based on input from a technical working group. Initially, the

¹¹ P.L. 2018, c. 17.

¹² The 2019 EMP outlines seven primary strategies to attain New Jersey's goal of 100% clean energy by 2050, including decarbonizing and modernizing the electric grid. As part of those strategies, the 2019 EMP calls for the BPU to work with the EDCs and other stakeholders to update and streamline the interconnection process detailed in N.J.A.C. 14:8-5.

¹³ P.L. 2021, c. 169.

¹⁴ See, e.g., Executive Order No. 7 (Jan. 29, 2018) (directing the Department of Environmental Protection and the Board to take all necessary regulatory and administrative measures to ensure New Jersey's timely return to full participation in the Regional Greenhouse Gas Initiative); Executive Order 8 (Jan. 31, 2018) (setting ambitious offshore wind deployment goals for New Jersey); and Executive Order No. 28 (May 23, 2018) (directing the BPU to develop an Energy Master Plan to achieve 100% clean energy sources by 2050).

¹⁵ ACE also actively participated in the stakeholder proceeding that preceded Staff's publication of the Draft Amendments. ACE submitted comments to the Board on DER interconnection policies in May 2022. See In re Modernizing New Jersey's Interconnection Rules, Processes, and Metrics, Comments of Atlantic City Electric Company, Docket No. QO21010085 (May 17, 2022) ("May 2022 Comments"). ACE also provided comments to the Board in July 2022 on Guidehouse's draft report, prior to its adoption by the Board. See In re Modernizing New Jersey's Interconnection Rules, Processes, and Metrics, Comments of Atlantic City Electric Company, Docket No. QO21010085 (July 19, 2022) ("July 2022 Comments").

Report recommends updating references to IEEE 1547 throughout N.J.A.C. 14:8-5 to indicate the latest version adopted in New Jersey.

2. **Recommendation #2:** The Report offers several recommendations to streamline and automate the interconnection application process, including requiring EDCs to use software for interconnection applications and to collect a uniform set of data inputs and key performance indicators, mandating interconnection fees for Level 1 projects, and establishing an interconnection dispute resolution process.
3. **Recommendation #3:** The Report recommends updating and standardizing EDC capacity maps with enhanced hosting capacity methodology, more granular hosting capacity map data, minimum update intervals, and presentation consistency. This would include EDCs providing a non-binding uniform cost data guide for system upgrades.
4. **Recommendation #4:** To accelerate interconnection of renewable resources, the Report recommends adding a pre-application process with a uniform fee structure for projects with capacity of 500 kilowatts (“kW”) and above and an optional process for smaller projects. The process should enable key information affecting project viability to be exchanged between the EDC and the customer prior to initiating a standard interconnection review.

The Report also includes five longer-term recommendations in grid modernization areas beyond updates to New Jersey’s interconnection standards for renewables that require further study before implementation (the “Long-Term Recommendations”). The issues covered in the Long-Term Recommendations include the interconnection of energy storage and hybrid DER and the 2019 EMP requirement that EDCs develop integrated DER roadmaps.¹⁶

On November 9, 2022, the Board accepted the Grid Modernization Report and directed Staff to release for public comment a draft of the revisions to the interconnection rules outlined in N.J.A.C. 14:8-5 to implement the Near-Term Recommendations.¹⁷ The Board found that the Long-Term Recommendations will require additional analysis and stakeholder input before being addressed in a future rulemaking proceeding. The Board noted that the Long-Term Recommendations “are generally more complex because of deeper process changes conflicting

¹⁶ See Grid Modernization Report at 42-45, 83-92.

¹⁷ See November Order at 3.

business model impacts, financial assessment and accounting, and system integration. They will require additional analysis and stakeholder input prior to being implemented.”¹⁸

ACE is providing these Comments to identify and explain the proposed revisions to the Draft Amendments that the Company believes are necessary to expeditiously incorporate the Near-Term Recommendations into the Board’s regulations and remove proposed regulatory changes on issues that Guidehouse and the Board found should await further study in working groups. Section II contains a summary of ACE’s principal concerns with the Draft Amendments. In Section III, ACE discusses the reasons for the Company’s proposed revisions to the Draft Amendments in further detail.

II. ACE’S PRINCIPAL CONCERNS WITH THE DRAFT AMENDMENTS

A. Flexibility in Developing an Online Interconnection Application Process

The Draft Amendments would require all New Jersey EDCs to employ a common interconnection process where all application documents are uploaded on a single portal that also tracks the status of the application. Although the Company agrees that the Draft Amendments should facilitate a consistent customer experience for interconnection requests across New Jersey, ACE does not support mandating the use of the same software platform for all EDCs as set forth in draft N.J.A.C. 14:8-5.2(e). For EDCs such as ACE that already utilize an online application tool, such a requirement would likely result in ACE and other EDCs incurring expenses to replace existing online application portals with a new platform (which may not even provide a higher level of functionality). Those unnecessary costs would then be passed onto customers. As explained in Section III.B below, ACE proposes revisions to draft N.J.A.C. 14:8-5.2(e) that will preserve a

¹⁸ Id.

consistent user experience as envisioned in the Draft Amendments while providing EDCs with sufficient flexibility to customize their Common Interconnection Application Portal (“CIAP”).

B. Permissive Use of Power-Flow Studies in Level 1 and Level 2 Interconnection Reviews

The Board’s interconnection rules address three levels of interconnection. Level 1 and Level 2 review procedures use certain technical screens to quickly identify any safety and reliability issues associated with proposed interconnections. As explained in ACE’s prior Comments in this proceeding,¹⁹ with the increasing penetration of renewables and the evolution of energy and communications technologies, there is a pressing need to establish flexibility and agility in the approaches to analyzing the resulting impacts on the grid. The screening tests currently delineated in N.J.A.C. 14:8-5.4 and 14:8-5.5 have proven unnecessarily restrictive to Level 1 and Level 2 interconnections and do not address location-specific constraints due to their broad nature.

ACE is recommending additions to the Draft Amendments to supplement the Level 1 and Level 2 screens by providing EDCs with the option to use more granular power flow-based studies to determine any reliability or safety issues associated with interconnections at the onset of technical review. Observed conditions, such as high voltages during heavy solar production and transformer capacity limits are not addressed in the technical screens used in the Level 1 and Level 2 review process. Power flow analyses are essential for ACE to determine advanced technologies’ capability to mitigate adverse grid impacts caused by the higher saturations of DER in its service territory. As a practical matter, at the current levels of DER saturation, many Level 1 and Level 2 projects would not pass the current screening limits and would be elevated to the Level 3 review process in N.J.A.C. 14:8-5.6. Thus, providing the option of a power flow analysis in Level 1 and

¹⁹ See July 2022 Comments at 6-7.

Level 2 technical reviews to determine if DER can be interconnected safely and reliably will streamline the approval process and maintain the Board’s leveled process.

C. Appropriate Deadline for Compliance with New Obligations Imposed by the Draft Amendments

The Draft Amendments propose an unrealistic time frame – by January 1, 2024 – for EDCs to implement the necessary system changes and modifications to their business processes associated with the additional EDC requirements imposed by the Draft Amendments, including establishing a standardized interconnection dispute resolution process, complying with extensive new reporting requirements, and enhancing hosting capacity maps as detailed in N.J.A.C. 14:8-5.11. Moreover, the Draft Amendments will not be effective until the Board completes a formal rulemaking proceeding, which will likely conclude closer to or after January 1, 2024. ACE anticipates that it will need at least one year following the adoption of final amendments to N.J.A.C. 14:8-5 through a formal rulemaking to implement the Draft Amendments.

D. Regulatory Changes That Should Await Further Study and Stakeholder Input

The Draft Amendments introduce several novel and complex concepts that the Company believes would benefit from further study in a separate rulemaking proceeding informed by focused, issue-specific working groups, consistent with the explicit recommendations of Guidehouse in the Grid Modernization Report and the findings of the Board in the November Order. For example, Staff proposes to expand the definition of “Customer-generator” and apply New Jersey’s net metering framework and interconnection process applicable to renewable resources to energy storage systems and DER aggregations participating in wholesale markets. The following sections discuss issues related to the Long-Term Recommendations that ACE proposes removing from the Draft Amendments to facilitate further study.

1. Interconnection of Energy Storage Devices

As noted in the Grid Modernization Report, energy storage devices present challenges for EDCs from an interconnection perspective because they operate as both generation and load.²⁰ Energy storage is also uniquely capable of serving multiple purposes, which means that many energy storage installations and their varied applications do not fit neatly within traditional generation, distribution, and transmission classifications for regulatory purposes. Further study is needed to formulate interconnection policies that recognize the unique characteristics of energy storage on the grid and support deployment of a broad range of energy storage applications in New Jersey. Accordingly, ACE recommends that the Board direct Staff to convene a working group to explore how existing interconnection rules should be updated to unlock the full benefits of energy storage technologies before including any energy storage-related provisions in N.J.A.C. 14:8-5.

2. Grid Flexibility Services

Grid flexibility is the capability of the power system to maintain balance between generation and load during uncertain conditions. Customer-sited DER, such as solar photovoltaic systems and battery storage systems, can offer grid flexibility services to EDCs, including congestion management and voltage control, by adjusting electricity consumption or generation during a given period at a specific location on the distribution grid. The Draft Amendments address grid flexibility services procured from a Customer-generator and compensated by the EDC for purposes of net-export capacity used as the basis for interconnection reviews. However, EDC grid flexibility services programs have not yet been developed or implemented in New Jersey. As recommended in the Grid Modernization Report,²¹ issues related to grid flexibility services from DER, including how to cost-effectively advance enabling technologies (e.g., DERMS), rate design

²⁰ See Grid Modernization Report at 41-42.

²¹ Id. at 85.

and technical barriers, should be evaluated in a working group and addressed in a future rulemaking. Therefore, references to EDC grid flexibility services and the associated definition have been removed from the Draft Amendments in the Joint Redline.

3. Accommodating Aggregation of DER for Participation in Wholesale Markets

The Federal Energy Regulatory Commission (“FERC”) has exclusive jurisdiction over wholesale markets and the criteria for participation in those markets. On September 17, 2020, the FERC issued Order No. 2222²² to remove barriers to the participation of DER aggregations in wholesale markets. PJM Interconnection L.L.C. (“PJM”) and other regional transmission organizations will implement the Order No. 2222 reforms through the creation or modification of wholesale market participation models that are subject to FERC review and approval.

On February 1, 2022, PJM submitted its plan to comply with FERC Order No. 2222.²³ On March 1, 2023, the FERC approved PJM’s compliance proposal related to the aggregation of DER, subject to several compliance filings due in May 2023.²⁴ ACE believes it is premature for the Board to adopt regulations related to implementation of FERC Order No. 2222 and DER aggregation prior to the FERC’s resolution of key issues in PJM’s compliance filing, some of which specifically involve the role of local distribution utilities (including ACE and other New Jersey EDCs). In short, Board policies surrounding DER aggregations deployed on utility

²² Participation of Distributed Energy Res. Aggregations in Mkts. Operated by Reg’l Transmission Orgs. & Indep. Sys. Operators, Order No. 2222, 172 FERC ¶ 61,247 (2020), order on reh’g, Order No. 2222-A, 174 FERC ¶ 61,197, order on reh’g, Order No. 2222-B, 175 FERC ¶ 61,227 (2021).

²³ That plan was developed by a working group to address various complex issues, including the interconnection of DER located on the distribution system to ensure reliability, distribution factors and bidding parameters for DER aggregations, and coordination between PJM, DER aggregators and distribution utilities.

²⁴ The issues being addressed in the compliance filings due in May 2023 include the scope of distribution utility review of system reliability impacts in the pre-registration and registration processes and locational requirements for DER to participate in an aggregation.

distribution systems in New Jersey should not be finalized until the FERC has approved market participation rules for PJM for aggregated resources in accordance with Order No. 2222.

As the entity with regulatory authority on matters of distribution system reliability and retail program participation, the BPU has a role to play in considering the potential impact of DER participation in wholesale markets on distribution system reliability, the conditions for an EDC override of DER dispatch, and the avoidance of DER double compensation for retail and wholesale services. ACE believes that the BPU can explore those issues along with any changes to the Board's current interconnection review processes to align DER integration with system reliability mandates in a working group consistent with the recommendations in the Grid Modernization Report, but finalization of any Board guidance or regulatory changes should await FERC's approval of PJM's compliance filings to avoid potential conflicts regarding participation of aggregated DER in PJM markets under FERC Order No. 2222. The Company recommends that the Board direct Staff to establish a dedicated framework to prepare for the impending implementation of FERC Order No. 2222 similar to the PJM subcommittee that meets at least monthly.²⁵

4. Proactive System Upgrade Plans ("PSUPs")

The Draft Amendments would require EDCs to develop and file bi-annual PSUPs starting in 2024 to identify distribution system upgrades to accommodate further penetration of DER. As the Grid Modernization Report found, because PSUPs are complex and include considerations beyond the interconnection process, the BPU should develop guidance for PSUP filings in consultation with industry experts.²⁶ Consistent with Guidehouse's recommendation accepted by

²⁵ See also July 2022 Comments at 8.

²⁶ See Grid Modernization Report at 91.

the Board, PSUPs should not be incorporated into the Draft Amendments at this time and should be developed through a separate rulemaking based on technical input from stakeholders.

III. ACE’S COMMENTS ON THE DRAFT AMENDMENTS

In the following sections, ACE discusses the specific amendments to the Board’s net metering and interconnection regulations proposed by Staff. ACE’s proposed additions, deletions, and modifications to the Draft Amendments are set forth in the Joint Redline.

A. N.J.A.C. 14:8-4.2 Net Metering Definitions

Staff’s proposed amendments to N.J.A.C. 14:8-4.2 would expand the definition of “Customer-generator” and “Customer-generator facility” to include energy storage resources and DER aggregations participating in PJM wholesale markets. Applying net metering policies to energy storage resources, as proposed by Staff, is inconsistent with N.J.S.A. 48:3-87e and cannot be implemented absent a change in New Jersey law. Net metering is currently available to all Class I renewable energy technologies, which include solar technologies, wind, fuel cells, geothermal technologies, wave or tidal action, and methane gas from landfills or a biomass facility (provided that the biomass is cultivated and harvested in a sustainable manner).²⁷ The statute does not provide authority for the Board to require the EDCs to offer net metering to energy storage resources because those resources are not Class I renewable energy systems. This matter should be discussed further in working groups.

In addition, an active Board proceeding is underway at Docket No. QO22080540 to establish a roadmap for attaining the 2,000 megawatts (“MW”) of energy storage capacity in New Jersey by 2030 required by N.J.S.A. 48:3-87.8d (the “Storage Docket”). At the end of 2022, over 45 stakeholders had submitted comments on Staff’s proposed storage incentive program in the

²⁷ See N.J.S.A. 48:3-51 and 48:3-87e.

Storage Docket and provided a wide range of perspectives on important issues that need to be resolved to increase the scale of New Jersey’s energy storage resources and achieve the 2,000 MW goal by 2030, including storage ownership models and cost recovery mechanisms. These topics are critical items for consideration. Accordingly, ACE recommends that the Board coordinate any regulatory changes related to energy storage, including interconnection standards, with the Storage Docket to promote robust stakeholder engagement on energy storage issues.²⁸

ACE also opposes the proposed changes to net metering definitions related to DER aggregation in PJM’s wholesale markets. As discussed in Section II.D.3 above, the eligibility of DER aggregations for net metering and interconnection policies to address the impacts of an aggregation of DER on EDC distribution systems are complex issues that require further analysis in a working group after FERC finalizes PJM’s compliance plan to implement Order No. 2222.

B. N.J.A.C. 14:8-5.1 Interconnection Definitions

1. Applicant

The Draft Amendments use the terms “Applicant” and “Customer-generator” interchangeably throughout N.J.A.C. 14:8-5. “Customer-generator” is a term that the Board defined for use in connection with its net metering regulations.²⁹ However, not all applications for interconnection of Class I renewable energy systems involve Customer-generators participating in net metering. Accordingly, to avoid any ambiguity, ACE proposes revisions to the definition of Applicant to clarify that the term includes all Class I renewable energy system interconnection requests even if those systems will not be participating in net metering and to refer to both an

²⁸ ACE cautions that a Board decision to address storage issues in multiple dockets or failure to provide all interested stakeholders with adequate notice of the Board’s storage-related interconnection proposals could raise due process concerns.

²⁹ See N.J.A.C. 14:8-4.2.

Applicant and a Customer-generator where appropriate in the remaining sections of N.J.A.C. 14:8-5.

2. CIAP and Solar Permitting Application Software

ACE supports the use of a portal-based software application platform like the Company's CTG tool for the interconnection process. The proposed changes to the definition of CIAP shown in the Joint Redline will maintain a consistent user experience while providing EDCs with the necessary flexibility to tailor the CIAP to the needs of Applicants and EDC-specific systems and business processes.³⁰ In addition, ACE recommends that the Board eliminate the proposed requirement in draft N.J.A.C. 14:8-5.2(e)(3) to integrate the CIAP with an online solar permitting platform (e.g., SolarAPP+ launched by the National Renewable Energy Laboratory in May 2021) and deleting the associated definition at this time because communities in New Jersey have not yet integrated SolarAPP+ or similar software applications into their permitting processes.

3. DER Aggregation, FERC Order No. 2222, and PSUPs

As previously explained in Section II.D.3 above, PJM's implementation of FERC Order No. 2222 will have broad impacts on EDC operations that the Board should study in detail before addressing any new interconnection rules needed to accommodate aggregation of DER for participation in wholesale markets in N.J.A.C. 14:8-5. Similarly, as discussed in Section II.D.4 above, PSUPs involve several aspects of EDC operations outside of the interconnection process and the Board should consult industry experts to develop guidance for EDCs as recommended in the Grid Modernization Report before including a PSUP framework in its regulations. Failure to perform the necessary due diligence could result in negative unintended consequences,

³⁰ If the EDCs are not afforded some degree of flexibility, then an EDC such as ACE, which has been proactive in establishing an online interconnection portal, could be forced to abandon its current platform to conform to the Board's unnecessarily prescriptive requirements.

undermining the Board’s efforts to modernize the interconnection process and the EDCs’ ability to provide safe and reasonable service. Accordingly, all provisions, including definitions, related to aggregation of DER in PJM wholesale markets, FERC Order No. 2222, and PSUPs should be eliminated from the Draft Amendments, which should be limited to updates to the Board’s current regulations consistent with the Guidehouse’s recommendations in the Grid Modernization Report and the Board’s findings in the November Order.

4. Rule 21

Rule 21 is a tariff approved by the California Public Utilities Commission (“CPUC”) that describes the interconnection, operating and metering requirements for generation and storage facilities seeking to connect to the electric distribution system that do not intend to participate in wholesale markets overseen by the FERC. Rule 21 lays out the specific parameter settings to be used with the testing methods of Underwriters Laboratories (“UL”) Standard 1741 for inverters, controllers, and interconnection system equipment for use with DER, including advanced anti-islanding testing to ensure that DER can disconnect from and reconnect to the grid as directed by the utility during a power outage or disturbance. Rule 21 includes protocols specific to California electric utilities that are narrower than the current version of UL 1741, such as technical requirements for ride-through settings, inverter voltage regulation and other advanced inverter functions.

The Draft Amendments would revise N.J.A.C. 14:8-5.3 to expand eligibility for Level 1 and Level 2 interconnection review procedures to equipment approved for use under California’s Rule 21 but that are not yet eligible for certification under UL 1741. ACE proposes to remove references to Rule 21 and related definitions from the Draft Amendments for the reasons explained in Section III.D below. ACE also notes that Rule 21 is subject to revision by the CPUC. It would be preferable for the Board’s regulations to reference industry-reviewed and adopted standards

(i.e., IEEE and UL standards), rather than standards reviewed and approved by another state public utility commission, which were developed in another jurisdiction to address the needs of utilities and customers in that state.

5. Miscellaneous Revisions

The Joint Redline also includes proposed revisions to various interconnection definitions to, among other things, remove terms that are not used in the Draft Amendments (e.g., Expedited Impact Study), clarify the Staff's proposed language and align definitions with current EDC practice.

C. N.J.A.C. 14:8-5.2 General Interconnection Provisions

Under the Board's current regulations, EDCs are required to utilize the Level 1 and Level 2 review procedures for proposed interconnections with a capacity of 2 MW or less and the Level 3 procedure for any interconnection that does not qualify for either Level 1 or Level 2 review. The Draft Amendments to N.J.A.C. 14:8-5.2(a) as proposed would: (1) use direct current ("DC") to measure the power rating for the capacity thresholds applicable to Level 1, 2, and 3 reviews; (2) increase the capacity limit for Level 1 projects from 10 kW or less to 25 kW or less; and (3) clarify the capacity thresholds for Level 2 and 3 reviews and include projects that did not pass Level 1 or Level 2 reviews as applicable.

ACE generally supports those proposed revisions with additional provisions to allow the EDCs to perform power-flow studies at the outset of Level 1 and Level 2 reviews to promote timely DER interconnections in New Jersey. The Company also recommends that the power rating for capacity thresholds applicable to Level 1, 2, and 3 reviews be measured in alternating current

(“AC”) consistent with the industry standard for power output. ACE uses AC-rated capacity to conduct impact studies for proposed interconnections.³¹

The Draft Amendments also include several new EDC requirements in N.J.A.C. 14:8-5.2 related to: (1) the use of net-export capacity to determine the appropriate interconnection level and perform required impact studies; (2) interconnection of energy storage devices and aggregation of DER pursuant to FERC Order No. 2222; (3) technical standards for smart inverters; (4) parameters for the electronic CIAP; (5) the pre-application process for Level 2 and Level 3 reviews; (6) development of an interconnection dispute resolution process; (7) PSUP filings; (8) review of changes in load associated with certain contemporaneous installations (e.g., electric vehicle charging facilities); (9) Applicant requests for extension of interconnection timelines; and (10) planning for reverse power flows in conducting interconnection studies. ACE’s proposed revisions to those new provisions in N.J.A.C. 14:8-5.2 are summarized below.

Net Export Capacity. Under the Board’s current regulations, a generator’s nameplate capacity forms the basis for the appropriate interconnection review level. ACE and other EDCs use a substation transformer’s cumulative generation nameplate capacity and minimum gross load ratio in the impact study to determine when ground fault overvoltage can harm the distribution system. Proposed N.J.A.C. 14:8-5.2(b) would require EDCs to allow an Applicant to limit its ability to export power to the grid to less than its nameplate rating. The net-export capacity of the proposed interconnection would be used in the impact study unless the EDC determines that the Applicant’s proposal would potentially harm system integrity and the EDC includes such findings in the System Impact Study report. ACE supports Staff’s proposal related to net-export capacity

³¹ ACE understands that this practice is consistent across the EDCs.

with the clarifying revisions shown in the Joint Redline to align with revisions to the definitions in N.J.A.C. 14:8-5.1.

Regulatory Changes to Implement the Long-Term Recommendations That Should Await Further Study. For the reasons explained in Section II.D. above, ACE proposes deleting proposed subsections (c), (o), (p), and (s) in N.J.A.C. 14:8-5.2 and the references to energy storage and DER aggregations in subsections (d) and (g), respectively, to allow for further study of technical and policy issues associated with the interconnection of energy storage, preparing for PJM's implementation of FERC Order No. 2222, and PSUPs in working groups before developing regulatory changes in a separate rulemaking as recommended in the Grid Modernization Report accepted by the Board.

Smart Inverters. ACE supports the Staff's proposal in N.J.A.C. 14:8-5.2(d) to allow existing renewable energy systems to upgrade to a smart inverter without additional study, with revisions to provide EDCs with an opportunity to request a cease to energize test. EDCs need the ability to enforce the use of an appropriate smart meter setting upon the replacement of an older inverter to ensure operations are the same and continue to comply with the requirements of the existing interconnection agreement.

Electronic Interconnection Application Processing Software Platform. The CIAP as proposed in the Draft Amendments would require all EDCs to use a common data architecture and protocol structure and standardized forms for electronic interconnection applications by June 1, 2023. In 2020, ACE launched its CTG electronic portal for interconnection and net metering applications, processing, and tracking. Other EDCs in New Jersey have implemented their own CIAP with different presentations and workflows. Accordingly, ACE is proposing changes throughout N.J.A.C. 14:8-5 to provide a consistent customer experience in the interconnection process but allow EDCs to customize their individual CIAPs. The Company also recommends

eliminating the requirement for automated data feeds in N.J.A.C. 14:8-5.2(e)(10) for two primary reasons. First, the same information that Staff could access through a data feed will be presented in quarterly reports submitted by each EDC in accordance with N.J.A.C. 14:8-5.9. Second, EDCs will incur additional costs to implement and maintain the data feed that would ultimately be borne by customers.

The Draft Amendments would allow EDCs to recover CIAP-related costs through base rates or an approved Infrastructure Investment Program pursuant to N.J.A.C. 14-3-2A.2, but do not provide cost recovery for the investments required to comply with the other significant EDC obligations imposed by the proposed rule changes. To ensure that each EDC is able to provide enhanced interconnection services while maintaining safe, reliable, and adequate service to its customers, the EDCs proposed an addition in N.J.A.C. 14:8-5.2 to make clear that the EDCs can recover any incremental costs incurred as a result of compliance with the Draft Amendments in a full and timely manner, either through a rider mechanism, through base rates, or through an approved Infrastructure Investment Program pursuant to N.J.A.C. 14:3-2A.2, in each case, subject to Board review and approval.

Streamlining the DER Interconnection Process. The Draft Amendments would provide prospective Applicants who qualify for Level 2 or Level 3 review with the option of requesting a pre-application report that provides technical information about a specific point of interconnection. With the clarifying revisions proposed in the Joint Redline, customers can request this report from EDCs before submitting the interconnection request to get a general sense of time taken to process application, need for supplementary studies, and project economics. The Draft Amendments also would establish a dispute resolution process that includes an ombudsman to handle customer interconnection complaints. ACE supports implementation of a pre-application process and

interconnection dispute resolution process with the changes discussed in Sections III.K. and III.N. below.

The Draft Amendments include a new provision that would allow for Applicant requests for interconnection timeline extensions, which ACE does not oppose with the addition of proposed language in the Joint Redline regarding the risk of completion delays with such extensions. Currently, ACE accommodates Applicant requests for extensions of up to two years through CTG. The Company has found that extended delays (i.e., longer than 12 months) can adversely impact interconnection queue management and require careful management.

Modifications of a significant nature that are requested by Applicants after a prior submittal can have a substantial impact on the EDC review process and interconnection studies. EDCs require the flexibility to review Applicant-proposed modifications to determine the extent of the impact. Accordingly, the Joint Redline adds a new process in N.J.A.C. 14:8-5.2 to review and evaluate Applicant-proposed modifications and addresses the responsibilities of both the EDC and Applicant if an Applicant requests a modification. Any material modification will require a new application and queue position and the Applicant should be required to pay for any resulting costs (e.g., new studies).

D. N.J.A.C. 14:8-5.3 Certification of Customer-Generator Equipment

To qualify for Level 1 and Level 2 review procedures in New Jersey today, an Applicant's interconnection equipment must be certified by an OSHA-approved nationally recognized testing laboratory in accordance IEEE 1547 and UL 1741 standards, as applicable. The Draft Amendments properly update the reference to IEEE 1547 in draft N.J.A.C. 14:8-5.3 in accordance with the Near-Term Recommendations and Board findings in the November Order. As noted in Section III.B. above, interconnection equipment would be considered certified if the technology has been approved for operation with an electric distribution system under Rule 21, even if it is

not UL 1741-listed. ACE's proposed changes remove references to evolving Rule 21 protocols that are specific to California investor-owned utilities and could create confusion for New Jersey EDCs regarding compliance with UL 1741 standards if they are not directly aligned with Rule 21. In addition, the proposed changes shown in the Joint Redline clarify that UL 1741-listed non-exporting technology that is outside the scope of IEEE 1547 standards must be approved for certification by the Board after a stakeholder process.

E. N.J.A.C. 14:8-5.4 Level 1 Interconnection Review

As previously noted, the Level 1 review procedures use a set of screening criteria to fast track interconnection review and approvals. The Draft Amendments would loosen the existing screen limits on the size of aggregate generation on circuits and on a single-phase secondary. ACE is proposing changes to N.J.A.C. 14:8-5.4 for two principal reasons. First, for the reasons explained in Section II.B above, ACE suggests including an option for EDCs to perform a power flow analysis in Level 1 interconnection reviews as an alternative to running the screens set forth in subsections (c)-(g). Second, the Company proposes revisions to acceptable mitigation measures that can be included in an amended application if a Level 1 interconnection request is denied. Those changes eliminate the addition of energy storage and EDC grid flexibility services as mitigation measures for the reasons discussed in Sections II.D.1., II.D.2., and III.A. above.

F. N.J.A.C. 14:8-5.5 Level 2 Interconnection Review

The Joint Redline contains proposed revisions to draft N.J.A.C. 14:8-5.5 to clarify the technical requirements for Level 2 interconnection reviews. In particular, the proposed changes make explicit that an EDC can use a power flow analysis in lieu of the screening requirements in

subsections (c) through (l) and include the same revisions to mitigation measures appropriate for amended applications as in N.J.A.C. 14:8-5.4(p).

G. N.J.A.C. 14:8-5.6 Level 3 Interconnection Review

The first sentence of draft N.J.A.C. 14:8-5.6 suggests that all EDCs must use a common set of screening criteria for Level 3 reviews. The proposed revisions in the Joint Redline make clear that EDCs may use power flow studies as an alternative.

The Draft Amendments also add details in N.J.A.C. 14:8-5.6(e)-(n) regarding the interconnection study process to assess the addition of a proposed project and its impact on EDC systems, as well as identify any interconnection facilities or network upgrades needed for interconnecting the DER safely in compliance with reliability requirements. In addition to clarifying revisions to the Level 3 interconnection study process, to avoid unnecessary delays, ACE proposes to reduce the period an Applicant may request to extend the deadline to execute the System Impact Study agreement from 60 days to 30 days and to provide for automatic cancellation of any application if the agreement is not executed within the timeframes specified in N.J.A.C. 14:8-5.6(f). The proposed changes in the Joint Redline also extend the timeframes for completion of the System Impact Study to provide sufficient time for the exchange of information between the EDC and Applicant on the proposed interconnection, including potential reliability issues or changes.

H. N.J.A.C. 14:8-5.7 Interconnection Fees

ACE supports the sharing of costs between DER and non-DER customers from interconnection studies to grid upgrades and the addition of a flat \$100 application fee for Level 1 reviews. The Company proposes to increase the cap on Level 2 interconnection fees from \$50 plus \$1.00 per kW to \$100 plus \$1.00 per kW to ensure that the fee for Level 2 projects is higher than the Level 1 application fee consistent with the additional work required for Level 2 reviews.

Additionally, the \$100 per hour rate cap on the costs of engineering work performed for any impact studies in Level 2 and Level 3 reviews should be eliminated because the cost cap does not align with current market pricing for those engineering services.

ACE also proposed revisions to N.J.A.C. 14:8-5.4 to N.J.A.C. 14:8-5.7 to clarify that the applicable interconnection fee for Level 1, 2, and 3 projects is due when the application is submitted.

I. N.J.A.C. 14:8-5.8 Testing, Maintenance and Inspection After Interconnection Approval

The Draft Amendments do not include substantive revisions to N.J.A.C. 14:8-5.8. The Company's minor changes to reference both an Applicant and Customer-generator are for clarity and consistency as explained in Section III.B.1 above.

J. N.J.A.C. 14:8-5.9 Interconnection Reporting Requirements

The Draft Amendments add new EDC reporting requirements. Specifically, draft N.J.A.C. 14:8-5.9(a) would require the EDCs to (1) track key performance indicators ("KPIs") on their websites and provide updates at least monthly, (2) maintain an interconnection queue of all currently pending Level 2 and Level 3 interconnection requests at a level that protects customer confidentiality, (3) conduct customer satisfaction surveys and publish the results of such surveys on its website and provide the results to the Board, and (4) submit quarterly interconnection reports to the Board (instead of twice per year, as currently required).

The Draft Amendments detail the information that EDCs must provide in such quarterly interconnection reports. N.J.A.C. 14:8-5.9(c) currently requires EDCs to provide information related to facilities that interconnected to its distribution system. The Draft Amendments also would require EDCs to report on facilities that interconnected and attempted to interconnect during the reporting period and identify 14 specific KPIs for inclusion. The Draft Amendments also

include a new EDC annual reporting requirement to address each EDC's ability to interconnect additional resources (N.J.A.C. 14:8-5.9(d)); a requirement for the EDCs to maintain a public interconnection queue with metrics for Level 1, 2, and 3 active interconnections (N.J.A.C. 14:8-5.9(e)); and a requirement for the EDCs to provide the results of annual testing performed on legacy interconnected Level 2 and Level 3 Customer-generator facilities (N.J.A.C. 14:8-5.9(f)).

The KPIs identified in draft N.J.A.C. 14:8-5.9(c) for purposes of quarterly reporting to the Board are generally acceptable. However, ACE proposes removing KPI numbers 9 and 11, and proposed edits to several other proposed KPIs. ACE cannot provide the requested complete list of all distribution upgrades and the geographic distribution, cost, and information regarding the timing of such upgrades. ACE has a duty to maintain the confidentiality of customer information and reporting the requested information by project would reveal confidential customer information.

ACE also proposed deleting the requested information regarding DER Aggregation requests. As explained earlier in Section II, the Company believes that all DER aggregation issues should be reviewed further in a stakeholder process prior to being incorporated in the Board's regulations. KPI number 13 was modified to remove the requirement to provide the requested trend analysis as it is not clear what the trend analysis would measure. Without such clarity, ACE is unable to determine if it would be able to produce an informative analysis.

ACE proposes eliminating the requirement to provide an additional annual report to the BPU. Hosting capacity and constrained line information is already publicly available and regularly updated on ACE's hosting capacity maps (see N.J.A.C. 14:8-5.10(d)(1)-(4)). Other requested components of the annual report are vague (see N.J.A.C. 14:8-5.10(d)(3)-(6)) or pertain to the PSUP and should therefore be removed for the reasons described in Section II.D.4 (see N.J.A.C. 14:8-5.10(d)(5) and (6)). In addition, the information requested in N.J.A.C. 14:8-5.10(d)(7) will

already be provided by the EDCs to the Board in the requested quarterly reports. It would therefore be duplicative and burdensome to require the EDCs to also submit this information in a separate annual report.

K. N.J.A.C. 14:8-5.10 Pre-Application Verification/Evaluation Process

Staff proposed the Pre-Application Verification/Evaluation (“PAVE”) process for use in connection with Level 2 and 3 interconnection projects. The PAVE process is detailed in draft N.J.A.C. 14:8-5.10. As proposed, within 10 business days of a request from an interconnection customer to use the PAVE process, an EDC is required to provide relevant information to the customer through its CIAP. The EDC must also offer a meeting with the customer within 10 business days of providing the customer with a “PAVE Report” to discuss its findings. The Draft Amendments also require the EDCs to maintain a “FAQ page” to explain the PAVE process.

ACE is pleased to already offer customers an informal PAVE process. Following receipt of a customer email request, ACE provides customers with a high-level estimate of the capacity that can be interconnected to a given point of interconnection without system modifications, notifies customers of any known constraints preventing the interconnection of DER, and will advise if any known upgrades will be needed. It generally takes ACE approximately three to four weeks to gather and provide such information.

However, ACE proposes to remove certain categories of information that would be required to be provided in response to PAVE requests under the proposed regulations as ACE does not believe such information would be helpful or relevant to an Applicant in developing an interconnection application. For example, Staff proposed that a response to a PAVE request include relevant line section(s) and substation actual or estimated peak load and minimum load data, when available; the number and rating of protective devices and number and type of voltage-regulating devices between the proposed site and the substation/area; and limiting conductor rating

from the proposed point of interconnection to distribution substation. To provide this information to the Applicant, the EDC would need to analyze its system configuration from the proposed point of interconnection to the substation, which would be time consuming and costly, but would not provide the Applicant with any information relevant to sizing or designing its application or indicate to the Applicant whether its proposed interconnection would be approved or not. If the Board does require EDCs to provide such information, the PAVE fee should be increased to \$450.

In subsection (e), ACE made a clarifying addition that participation in the PAVE process does not establish a queue position for the Applicant in the EDC's interconnection queue. An Applicant will only receive a queue position once its application is deemed complete by the EDC in accordance with the Draft Amendments.

Since N.J.A.C. 14:8-5.10 describes in detail the requirements to respond to PAVE requests, ACE proposed deleting duplicative provisions in proposed N.J.A.C. 14:8-5.4 to N.J.A.C. 14:8-5.6.

L. N.J.A.C. 14:8-5.11 Hosting Capacity Maps

Staff's proposed N.J.A.C. 14:8-5.11 requires each EDC, by January 1, 2024, to make a tariff filing "to include a common hosting capacity mapping process to aid Customer-generators." The Draft Amendments specify that such hosting capacity maps are to indicate where there is spare capacity on EDC distribution systems and which locations are likely to require additional upgrades. The maps are to be updated on at least a quarterly basis and include data at both the circuit and substation level. EDCs are also required to utilize a common methodology to calculate the hosting capacity values for each circuit and to present the information "in a consistent manner across all EDCs." The Draft Amendments also detail granular information that is to be included in the hosting capacity maps, direct the EDCs to ensure that the hosting capacity process includes "a documented process for validating models, publishing the hosting capacity, and allow for

customer feedback collection and compilation,” and include data on both a static grid and operational flexibility.

As previously noted, ACE was the first EDC in New Jersey to offer hosting capacity maps to its customers similar to those that Staff proposed to require in the Draft Amendments. While ACE and other EDCs can make expanded maps consistent with the proposed regulations available to their customers, some level of customization will be required to accommodate the systems and processes of the individual EDCs. ACE is proposing changes to N.J.A.C. 14:8-5.11 so that EDCs can implement the required customization while still providing customers with a consistent experience. Currently, each utility uses a different approach to calculate and present such information. It would be costly for all EDCs to align their approaches and would prevent the utilities from being able to provide the requested hosting capacity maps within one year of adoption of the regulations. In addition, those EDCs that have already implemented capacity maps or are able to provide their customers additional offerings in the future should not be constrained by other EDCs who may require more time to develop map functionality. If the Board does want EDCs to standardize their hosting capacity maps, the Board should first convene a working group, as recommended by Guidehouse, to evaluate and determine how to achieve uniformity across EDC hosting capacity methodologies.³²

Furthermore, as explained above in Section II.C above, the January 1, 2024 implementation deadline is not feasible. The EDCs have proposed to revise the deadline to within one year of adoption of the regulations.

ACE proposed to eliminate the proposed requirement for EDCs to separately summarize and communicate changes reflected in the quarterly updates to hosting capacity maps reflected in

³² See Grid Modernization Report at 79.

the via the EDCs' websites and subscriber email listservs because the information will be readily available to customers reviewing the updated maps. ACE also proposed to remove certain categories of information that may restrict the ability of EDCs to update maps in the future (i.e., prescriptive use of colors). These categories of information would require ACE to publicly disclose proprietary information, or are categories of information that ACE does not maintain, as well as categories of information where ACE believes that the associated costs of providing such information would exceed any minimal benefits to Applicants. For example, Staff proposed that hosting capacity maps be able to allow Applicants to identify "a quantified indication of interest level from other projects (and their aggregate capacity) along the same circuit." ACE does not maintain this information and it is unclear how the EDCs could measure "interest level," nor what value it would offer Applicants as ACE does not believe that "interest levels" would be sufficient to make actionable recommendations to Applicants. Similarly, ACE does not currently have the ability to provide information necessary to show "a range of budgetary cost estimates for anticipated required upgrades that would make additional Hosting capacity available, based on high-level estimates (e.g., +/- 25%)." Staff's proposal would require the EDCs to provide a variable range of potential upgrade scenarios for each feeder that would be costly to track.

M. N.J.A.C. 14:8-5.12 Proactive System Upgrade Planning

As previously noted in Section II.D.4 above, Staff proposed requiring each EDC to make a PSUP filing on January 1, every other year, beginning on January 1, 2024. The PSUP is to identify congested areas on each EDC's distribution system that are limiting the ability to interconnect new resources and identify proposed upgrades to alleviate such constraints. The Draft Amendments specify areas for the EDCs to consider when proposing upgrades and information to identify with respect to each identified PSUP upgrade. The Draft Amendments also state that when proposing a PSUP upgrade, an EDC is required to divide the cost by the amount of additional

hosting capacity it will create, resulting in a \$/kW value. Any Applicant that requests to interconnect to a circuit with a proposed PSUP upgrade can ask the EDC to accelerate construction of an approved PSUP upgrade, and fund the \$/kW value, multiplied by the size of the Applicant's proposed project, in kW.

For the reasons explained in Section II.D above, the PSUP proposal should be removed from the Draft Amendments and reserved for further review by a stakeholder working group and addressed in a separate rulemaking.

N. N.J.A.C. 14:8-5.13 Dispute Resolution Process

Staff proposed that each EDC make a tariff filing by January 1, 2024 that includes a standardized dispute resolution process to govern disputes between the EDC and an Applicant, which may include but not be limited to disputes involving interconnection studies, cost estimates, queue priority, the development of an interconnection agreement, or billing or fees. The Draft Amendments specify steps to attempt to reach resolution through an informal process which, if unsuccessful, can ultimately be resolved through the Board's complaint resolution process. The Draft Amendments also specify that any party, at any time, may file a complaint before the Board or exercise whatever rights and remedies may be available to it at equity or law.

As explained in Section II.C. above, the January 1, 2024 deadline is not feasible for EDCs to develop online portals, which will take significant time and effort. The Joint Redline revises the deadline to within one year of adoption of the final regulations. ACE also incorporated further clarifying edits for consistency with its other proposed revisions to the Draft Amendments.

IV. CONCLUSION

ACE appreciates the opportunity that the Board has provided to offer these Comments on the proposed revisions to the BPU's existing net metering and interconnection rules to facilitate increased DER penetration in support of New Jersey's important clean energy policy goals. To the extent that there is substantial diversity of opinion on the Draft Amendments proposed by Staff, ACE respectfully urges the prompt creation of focused, issue-specific working groups to facilitate consensus recommendations from stakeholders. Robust discussion of the policy, implementation, and potential cost implications of the Draft Amendments is a necessary next step to ensure that utility customers continue to receive safe, adequate, and proper service at reasonable rates. The Company looks forward to continuing to work with the Board, Staff, and interested stakeholders to develop interconnection policies to ensure the safe and efficient deployment of renewable energy systems and modernize the electric grid in New Jersey.