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April 24th, 2023

New Jersey Board of Public Utilities 44 S Clinton Ave. Trenton, New Jersey 08625

Re: Docket No. QO21010085

President Fiordaliso, and Commissioners Holden, Solomon, Gordon, and Christodoulou,

I write on behalf of Sunnova Energy International, Inc., a national provider of solar energy as a service. Founded in 2012, Sunnova services nearly 280,000 customers across 40 States and U.S. territories including New Jersey. The purpose of this letter is to provide the New Jersey Board of Public Utilities with recommendations on the current New Jersey Grid Modernization effort. Sunnova has been involved in the grid modernization effort for over a year and is very excited about the new interconnection rules that have been developed.

SolarAPP+

The Board's draft regulatory amendments propose to integrate SolarApp+ into the interconnection process. While this type of solution would expedite DER interconnection rates, I want to be clear about SolarApp+'s existing functionalities. As the draft language correctly recognizes, SolarApp+ was developed to assist municipalities, counties, and other authorities having jurisdiction with the *permitting* process for residential solar projects. This is separate from the electric distribution companies' *interconnection* process. When presenting on SolarAPP+, we were using it as an example of what a streamlined, automated process for interconnection could look like. We are in support of AHJs, utilities, and NREL working together to make a SolarApp+-equivalent for interconnection, or even a single permitting and interconnection platform. This would truly modernize solar deployment in New Jersey and the nation. But we do not believe this kind of platform, which would be the first of its kind, could be developed and integrated successfully by June 1, 2023.

Inspections

The interconnection rules allow utilities to wait five business days after a successful inspection before notifying the customer-generator that it is authorized to energize the facility. It is unclear why the utility would need five business days after a successful inspection. We suggest this timeline be shortened to three business days.

We appreciate the language in the draft regulations that allows utilities to waive inspections. There are a growing number of utilities that are waiving physical inspections for residential systems — for example, CenterPoint in Texas — given how simple and safe installations are. We also suggest the Board amend the regulations to give utilities a third option, in between a physical inspection and a waived inspection: remote inspections. Sunnova's dealers must take extensive photos of their installation for our records. They can



provide these photos or record videos for the utilities, if they will obviate the need for a physical inspection.

Transparency

The current reporting requirements are thorough and will significantly improve transparency in the interconnection process. We suggest the Board add language clarifying that all interconnection reports be submitted to the Board in a publicly available docket. To have real transparency into interconnection processes and timelines, developers should be able to see and validate the reports.

Additionally, we believe the hosting capacity maps should be updated monthly. Federal incentives and a streamlined interconnection process will create additional demand for residential solar. This uptick in solar adoption rates will change grid capacity and create constraints quicker and will require maps to be updated more frequently to ensure accuracy.

Allocation of Upgrade Costs

We appreciate the Board's new regulations requiring proactive system upgrade planning (PSUP); they will help more utility customers that want renewable energy connect their solar systems to the grid. However, we suggest the Board add language to address cost allocation for grid upgrades in areas that are not part of the proactive grid upgrade plan. Customers whose systems trigger an upgrade outside of the PSUP area should not be responsible for covering the entire cost of the upgrade. Instead, the utility should be required to expand the PSUP, as needed.

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Sunnova appreciates the Board's time and this opportunity to help shape grid modernization efforts in New Jersey.

Thank you,

Meghan Nutting

Executive Vice President of Government and Regulatory Affairs

Sunnova Energy International, Inc.