



April 24, 2023

Sherri Golden
Secretary of the Board
New Jersey Board of Public Utilities
44 South Clinton Ave
Trenton, NJ 08625

Re: Docket No. QO21010085, Modernizing New Jersey's Interconnection Rules, Processes and Metrics

Dear Secretary Golden:

Nexamp greatly appreciates the opportunity to provide comments on the revisions to New Jersey's interconnection rules proposed by Board Staff. Overall, Nexamp believes these rules are a positive step forward for the state and would represent a significant improvement from the status quo, helping to enable New Jersey to achieve its clean energy objectives.

In particular, the additions of timelines for Level 3 interconnections, an established pre-application or PAVE process, more robust standards for hosting capacity maps as well as a defined dispute resolution process will be incredibly important in efficiently interconnecting more distributed energy resources in New Jersey.

While we strongly support the bulk of the rules, we respectfully recommend the following clarifications and additions.

Clarify Treatment of Community Solar

Nexamp understands, through this proceeding as well as the recently released Community Solar Straw Proposal, that the Board is likely moving toward changing the interconnection procedures relevant to community solar projects in New Jersey. To date, community solar projects have only been apply to formally apply for interconnection after they receive their program award. This results in projects having little to no visibility into their interconnection costs and viability, a critical component of successful project development.

If it is the Board's intention to allow for community solar projects to apply for interconnection like any other project—which Nexamp strongly supports—then we respectfully recommend that the Board clarify this treatment within the rules or by Board order. Given the different treatment of community solar to date, this clarity would be helpful in the market.

Simplify Payment Schedules

Nexamp appreciates that the draft rules establish a general payment schedule for interconnection costs for Level 3 projects. We recommend simplifying this structure, however, and instead use a 25/75 percent approach. In that structure, 25% of estimated costs are due within a set period from the execution of the interconnection agreement (for example, 90 business days in New York). The remaining 75% is then due at a later date (120 business days from the 25% payment in New York). If for whatever reason the project is removed or withdrawn from the interconnection queue, any unspent portion of the 75% payment is returned to the project. Nexamp strongly recommends that the Board consider



adopting a similar approach here, which is easier to implement than monthly payments and has worked well in New York.

Nexamp also recommends that Board consider the implications for future community solar projects under these draft rules and this structure in particular. While it is just in the “straw” phase, the Staff has proposed requiring community solar projects in the permanent program to have an executed interconnection agreement in order to register with the ADI administrator and securing capacity. Nexamp supports this approach, but notes that for simplicity, the 75% payment to the utility should come due at the time the project registers with the ADI administrator.

Nexamp recognizes that in some cases when estimated costs are low, this payment structure may not be necessary. Nexamp recommends applying this structure to only Level 3 customers or at a certain dollar threshold for estimated interconnection upgrade costs. For example, New York uses a \$10,000 threshold.

Thank you for the opportunity to provide comment on this matter.

Respectfully,

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