

**STATE OF NEW JERSEY
BOARD OF PUBLIC UTILITIES**

In the Matter of Community Solar)	
Energy Program)	Docket No. QO22030153
)	

COMMENTS OF NRG ENERGY, INC.

NRG Energy, Inc. (“NRG”) submits comments in the above-captioned proceeding in response to Staff’s Straw Proposal for the permanent Community Solar Energy Program filed on March 20, 2023 (“Straw Proposal”). NRG supports the efforts of the New Jersey Board of Public Utilities (“the Board”) to grow the Community Solar Energy Program and specifically, Staff’s Utility Consolidated Billing proposal. Community Solar is an excellent way to assist New Jersey in meeting its ambitious goal of 100% clean energy by 2035.

WHO WE ARE

Headquartered in Houston, TX, and with an eastern U.S. corporate home in Princeton, NJ, NRG is a leading integrated energy and home services company in the U.S. A Fortune 500 company, NRG is at the forefront of changing how people use, buy, and think about energy. We strive to empower our residential, commercial, and industrial customers with reliable and cost-effective energy solutions. We draw on our deep industry experience to provide products and services that suit our customers' needs with the consistency and innovation expected from the nation’s leading integrated energy and home services provider. Together, we are creating a sustainable energy future by fostering smarter energy choices and providing reliable, cleaner

power. NRG's retail brands maintained one of the largest combined competitive retail energy portfolios in the U.S. with 155 TWhs of electricity and 1,918 MMDth of natural gas sold in 2022, with over seven million customers served. Our roughly 15,000 employees provide a range of products and services including community solar, demand response and energy efficiency, 100% renewable energy, energy plans bundled with smart home technology, as well as loyalty rewards, and charitable giving products through "Choose to Give" plans. NRG has numerous licensed Third Party Suppliers ("TPSs") that are actively serving electricity and natural gas customers throughout New Jersey¹. The NRG TPSs have been serving customers in New Jersey since 2002. NRG Home and Green Mountain Energy Company are supporting community solar developers by helping subscribe customers to projects in New York and Massachusetts, with plans to expand to New Jersey.

EXECUTIVE SUMMARY

The Staff Proposal contains many important and useful implementation strategies to move the Community Solar Pilot Program into a permanent program. Specifically, Utility Consolidated Billing will be a key factor in getting community solar off the ground and into many households. NRG supports the Staff Proposal with a few minor caveats as outlined below.

¹ *Reliant Energy Northeast LLC d/b/a NRG Home/NRG Business* ESL-0093 and GSL-0176; *Green Mountain Energy Company* ESL-0233; *Energy Plus Holdings LLC* ESL-0087; *Energy Plus Natural Gas LLC* GSL-0100; *XOOM Energy New Jersey, LLC* ESL-0115 and GSL-0112; *Stream Energy New Jersey, LLC* ESL-0109 and GSL-0120; *Direct Energy Services, LLC* ESL-0078 and GSL-0088; *Direct Energy Business, LLC* ESL-0165 and GSL-0145; *Direct Energy Business Marketing, LLC* ESL-0142 and GSL-0128; and *Gateway Energy Services Corporation* ESL-0166 and GSL-0146.

UTILITY CONSOLIDATED BILLING IS ESSENTIAL IN THE SHORT RUN; HOWEVER, SUPPLIER CONSOLIDATED BILLING IS THE BEST SOLUTION IN THE LONG RUN

NRG fully supports Staff's recommendation to implement Utility Consolidated Billing for community solar. Our experience in other states that have implemented Utility Consolidated Billing for community solar, billing has been much easier and transparent for the customer, as the subscription fee and all credits are shown on one bill. The bills clearly show the charges in an understandable fashion which assists customers in understanding exactly how community solar works and impacts their bottom-line charges.

Any Utility Consolidated Billing methodology employed by the Electric Distribution Companies ("EDCs") should be standardized and transparent as this will certainly impact the project revenue streams of the project owner/ operators. Project owners/ operators will need to fully understand how it works and what is required to get the billing done accurately. Each utility should work together to establish one standardized method that will be rolled out across the State.

NRG would like to encourage the timeline to be pushed up as much as possible so that customers do not have to wait until 2024 to take advantage of community solar and receive one Utility Consolidated Bill. Utility Consolidated Billing will have a significant impact and draw many more developers and subscribers - thus more readily enabling the state to meet its goal of 100% clean energy by 2035.

NRG encourages the Board to look at the way New York has implemented billing for community solar and use the experiences learned from that implementation program to develop best practices. NRG has been participating in the NY market and can be a resource for the Board and provide any existing rules, implementation plans, and guidelines, as necessary.

Lastly, Supplier Consolidated Billing should not be discounted as a viable billing method and a way to include all the charges on one bill. Under the current Utility Consolidated Billing structure, TPSs are limited in what they can put on the utility bill. Such limits inhibit the types of price plans and products a supplier can offer to customers. With Advanced Metering Infrastructure (“AMI”) becoming the norm, the types of products that TPSs can now offer require significantly more space on the bill to effectively communicate the value the customer received. For example, a supplier offering time varying pricing will need to be able to demonstrate to the customer how many kilowatt hours the customer used in the different price periods so that the customer can see that when they shift their usage they save. Such information simply cannot be communicated in just a few lines of character limited text.

Similarly, a TPS offering a product that includes a community solar product or a demand response rebate needs to be able to communicate that credit directly and effectively to the customer on the bill. Without the ability to issue consolidated bills, TPSs are limited in the innovative products that can be offered. For suppliers to offer these new products to their customers, they must have the ability to manage their customers’ billing services so that they can demonstrate through the presentation of the charges and other information on the bill exactly what benefits are accruing to the customer through the selection of innovative product offerings.

In summary, while we appreciate the use of Utility Consolidated Billing in the short run to get community solar up and running for the masses, NRG asserts that Supplier Consolidated Billing is the only way the market will fully innovate in the future.

COMMENTS ON THE LOW TO MODERATE INCOME CUSTOMERS PROPOSAL

The Staff Proposal recommends that a minimum of 51% LMI subscription be maintained (consistent with the Pilot Program rules). While NRG commends Staff for attempting to maintain such a high bar, it will become increasingly more difficult to maintain that 51% level as projects are subscribed. NRG recommends that Staff collaborate with Stakeholders to create a process which will reevaluate the 51% threshold once LMI subscription rates hit a certain level of participation.

Regarding the income verification requirements, NRG suggests enabling use of census track data as an alternative to the self-attestation process discussed in the Straw Proposal. Specifically, entities should be able to review census data and qualify LMI areas using the criteria of 50% of the households in a certain area earning less than 55% of median income. If an area meets that criterion, they could automatically be considered a LMI community for purposes of enrollment into a community solar program.

If the Board wishes to pursue the self-attestation process, NRG recommends a Stakeholder process that meets and discusses different options for how this would work. There are a lot of different possibilities which would be best discussed and sorted out through open dialogue.

OTHER COMMENTS ON THE PROPOSAL

NRG fully supports Staffs suggestion to remove any geographical distance requirements between the project and its subscribers. It is important to look at this from a big picture perspective and realize that community solar helps the entire state and not just a particular household or street.

Additionally, NRG favors automatic enrollment (opt-out enrollment) but agrees that it is best to roll that out after Utility Consolidated Billing is implemented. Automatic enrollment will potentially cause a higher number of enrollments in a short period of time which could pose problems in a dual billing model.

STREAMLINING ACCESS TO UTILITY ACCOUNT NUMBERS OR POD IDs WILL ENABLE BETTER COMMUNITY SOLAR PARTICIPATION

In New Jersey it can be quite burdensome for customers to have their utility account number or Point of Delivery ID ("POD ID") readily available at the time they are enrolling for TPS services such as community solar. When a customer is interested in signing up and away from home without their POD ID available, customers often have challenges obtaining it from the distribution utility company. In other states, NRG provides the customer at the point of sale with the utility's phone number and the customer calls, provides whatever security check information the utility requires, and gets their account number on the spot.

In some utilities in New Jersey, customers call the utility to request their POD ID – however the utility will not provide the information to the customer via telephone. Customers must wait to receive this information in the mail – or set up an online account to get the requested information. If the community solar sales representative is in the middle of signing up a customer, the entire process is halted and will likely not continue.

1. At a minimum, NRG requests that customers be able to obtain their utility account number and POD ID by calling the utility and providing proof of identity. Optimally, customers should be able to shop for community solar using the items they have “in

their wallet.” A residential customer can provide: Government-issued photo identification; or

2. Government-issued non-photo identification accompanied by a secondary method of identification, including, but not limited to, telephone number in the customer’s name, a current utility bill, bank statement, government check or paycheck, or a credit or automatic teller machine card displaying the customer’s name.

The TPS would then attest to the utility that identification authorized as per the above was provided – along with the customer’s service address. The utility could then process the enrollment without the use of a utility account number or POD ID.

Changing this process would truly open the door for greater customer participation, thus enabling customers to receive all the benefits of community solar while helping the State meet its climate goals.

CONCLUSION

NRG applauds Staff’s efforts in broadening community solar by creating a permanent program. Staff’s proposal outlines many important facets of this program that may result in more customer participation, and more project development, as well as other stakeholders participating to enable customers to have clean energy choices. NRG offers to the Board the acquired wisdom of our two decades of expertise and would be happy to provide any knowledge we have gained from participating in other community solar programs.

Respectfully submitted,

/s/ Angela Schorr

Angela Schorr

Director

Regulatory Affairs

NRG Energy, Inc.

Angela.Schorr@nrg.com

May 15, 2023