



May 15, 2023

Dear New Jersey Board of Public Utilities,

It is our pleasure to provide this letter as a way of providing feedback on recommended permanent procedures in the New Jersey Community Solar Program. The Supportive Housing Association of New Jersey (SHA) is a diverse coalition of members engaging development, resources, and information to sustain supportive affordable housing systems within New Jersey. The Supportive Housing Association of NJ (SHA) recognizes the many benefits that the community solar programs can have on low-income communities. We are constantly looking for ways to educate our members about this program because we understand the impact it can have in expanding clean energy access and its benefits to traditionally marginalized communities like the communities we serve.

SHA would first like to express our gratitude to the Board for all the effort you have put into ensuring the New Jersey Community Solar Energy Program is accessible to affordable housing providers and beneficial to our low- and moderate-income (LMI) residents. Most of the residents of supportive housing that our member organizations serve are people of very low income. It is therefore important to ensure that barriers that might get in the way of using the program are addressed. However, we would like to highlight two specific concerns that may hinder the program's success in including affordable housing providers. Below are some points that have been brought up and shared among our members as issues that we agree are crucial in expanding supportive housing participation in the program.

First, we have concerns regarding the proposed modifications to how affordable housing providers may subscribe to community solar projects. SHA is acutely aware of the limited capacity that most supportive housing providers have. It's not realistic and unworkable to require that master-metered accounts, as are many supportive housing providers, who enroll their housing properties as LMI subscribers pass on **75% of the electricity bill savings to residents in the form of direct payments**. This requirement creates a challenging administrative burden. One that may be insurmountable for many of our members especially as they are short staffed. This setup would also put housing providers at risk of losing HUD funding for 100% of the community solar savings, not just the 25% that would be retained by the affordable housing provider. We recommend that the Board retain the pilot affidavit requirements for affordable housing providers seeking to demonstrate LMI eligibility. These requirements are more flexible and are a more feasible solution for affordable housing providers. We understand the importance of ensuring that LMI families benefit from the program, but modifications must also be reasonable and feasible for supportive housing providers whose mission is to improve the lives of the residents we serve. To ensure that the transition to clean energy for LMI communities and affordable housing providers is viable and accessible, the Board should revert to the pilot rules for demonstrating LMI eligibility for affordable housing participation. This would ensure tenants receive the benefits of the Community Solar Program through tenant property enhancements or other services and proposals laid out by the provider according to their capacity.

Second, we are concerned that the proposal to adjust the **bill credit calculation** for master-metered affordable housing complexes by including demand charges will not raise the value enough to ensure robust participation by affordable housing providers. Including the demand charge will provide a modest increase in the value of the bill credit, but the rate will still be much lower than the rate applied to individual residential subscribers. Setting the value of the community solar bill credit too low will disincentivize community solar system owners and subscriber organizations from seeking master-metered affordable housing subscribers because they will lose too much revenue and at the same time disincentivize affordable housing providers from going through the administrative burden of signing up.

185 Valley Street, South Orange NJ 07079 Diane Riley 908.931.1131
diane.riley@shanj.org



The Supportive Housing Association of New Jersey

We urge the Board to consider including all demand and capacity-related charges included in the delivery/distribution and supply portions of the utility bill when calculating the bill credit for affordable housing subscribers whose accounts are assigned to non-residential rate classes. We understand that incorporating capacity and demand value into the bill credit for master-metered affordable housing subscribers won't bring the value of the bill credit as high as the residential bill credit, but it should bring it close enough to ensure affordable housing tenants receive a meaningful benefit and system owners are motivated to subscribe them. We believe it is **critically important** to broaden the category of charges in the bill credit for affordable housing tenants in order to provide equity with tenants of "residential" accounts.

Thank you for considering our feedback on these issues. We appreciate your commitment to ensuring that the Community Solar Program benefits all New Jersey residents, including those living in supportive and affordable housing.

Sincerely,

A handwritten signature in dark ink that reads "Diane Riley". The signature is fluid and cursive.

Diane Riley
Executive Director

185 Valley Street, South Orange NJ 07079 Diane Riley 908.931.1131
diane.riley@shanj.org