

Docket No. QO22030153

Comments: NJ Solar Power

May 15, 2023

My name is Bill Hoey and I am the owner of NJ Solar Power located in Bayville New Jersey. I would like to first thank all of the Commissioners and the staff of the BPU for the opportunity to speak today on the permanent Community Solar Program and the Staff's Straw Proposal.

We currently install Residential and Small Commercial Solar Systems and employ a staff of 25 that are all located here in New Jersey. Over the past 20 years we have witnessed first-hand the peaks and valleys of the Solar Market here in New Jersey. So much of this market has been driven by sound policy and this point in time is no different. It is critical that we get this right.

After a thorough review of the proposal, we have to conclude that the proposed size of the program cannot possibly be justified. The numbers simply do not add up. Here is why:

1. There is a Cost Cap and therefore the total size of the ADI Program is 750Mw
2. The residential ratepayers make up approximately 48% of the market or 360Mw
3. The current allocation of the program is for 150Mw of Residential and 150Mw of Community Solar or only 300Mw of the 360Mw
4. From what we can tell, the current LMI population is roughly 25%

Assuming that 300Mw is the size of the residential market segment, how can Community Solar receive more than 75Mw or 25% of the program allocation? This is a high number as one cannot assume that 100% of the LMI population is going to participate in the program. This is why the numbers do not add up.

What the board needs to realize is that every Mw of increase for the Community Solar segment equates to a decrease in the Residential market segment. What we are in fact witnessing is the permanent destruction of the Residential Market segment. The Residential Segment of the ADI program is the most successful and is the only one on target to get fully subscribed in the current Energy Year. It is also the largest employer that is comprised of hundreds of companies and thousands of local New Jersey jobs. If we continue down this path of doubling and tripling the size of the Community Solar program we will surely destroy the Residential Solar Market in New Jersey.

We have not read any numbers or statistics that justify the increase in the Community Solar Market from 75Mw to 150Mw and now 222Mw. What we do know is that there is no successful Residential market in the country that exists where Community Solar has controlled. These are well funded and organized companies many of which are not domiciled in New Jersey. The small local Residential installers do not have a chance against this onslaught. Our only hope is that the board realizes the issues and slows down the Community Solar program. This segment in the current Energy Year has not built a single project. What is the rush?

The Residential ratepayers have spoken by their actions and rejected third party ownership. This can be seen in the numbers where over 68% of Residential participants have opted to own and not lease their systems. Community Solar is yet another form of third party ownership where the benefits are going to the system owners and developers and not the ratepayers. LMI Customers who own their home are better off owning their Solar System. The other 49% of the ratepayers being marketed to by the

Community Solar Companies are also far better off to own their systems and maximize the benefits. What is also a problem here is that the Community Solar companies have the same credit requirements as we do for subscribers to participate. So, we are all marketing to the same ratepayers. The deceptive marketing that takes place makes it seem like this is the only way to go and the ratepayers are not being given all of their options.

We also see these multi-Megawatt jobs being dropped into communities all over the state and prematurely shutting down the grid. With grid reform years away the timing of this expansion could not be worse. The ratepayers are going to be upset at the board and the program when they have a Community Solar project shut down the grid in the areas and they can no longer put Solar on their homes. This is happening every day.

Our recommendation would be to ensure that the ADI program allocations are based on the needs of the ratepayers and not on what is politically expedient. Our recommendation for program allocation is as follows:

- Net Metered residential            225Mw
- Community Solar                        75 Mw

If we do not tip the scale back to the needs of the residential ratepayers, the program will be shut down prematurely and thousands of jobs will be lost. The board and staff must realize that the numbers do not justify the amount of Community Solar being requested. The Net metered residential segment has already subscribed the full 250Mw allocated to the current energy Year. Scaling this back at this time would be a mistake.

We hope that the board will study the numbers and ask for the justification of such a huge increase. As time goes on it will be more and more difficult for Community Solar developers to find subscribers. The ratepayers clearly want to own their systems rather than getting 10% off on their electric bill. It would be a shame to see the market that has been built over the past 20 years to be destroyed by this program. We urge the board to slow down the rate of growth for Community Solar so it can be properly monitored and to stay the course with the Net Metered residential segment.