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May 15, 2022

Sherri L. Golden
Secretary of the Board
Board of Public Utilities
44 South Clinton Ave., 1st Floor
Trenton, NJ 08625-0350

RE: Docket No. QO22030153 – IN THE MATTER OF THE COMMUNITY SOLAR ENERGY PROGRAM

Dear Secretary Golden,

Thank you for the opportunity to provide comments in response to the staff straw proposal for the community solar permanent program. We are pleased to see many of the thoughtful policies staff have laid out in the proposal, including a first-come, first-served allocation approach, a commitment to serving low-income customers, and integration with New Jersey's grid modernization proceeding. BlueWave looks forward to continued collaboration with the Board and other stakeholders that will ensure a successful community solar program for the Garden State.

BlueWave's vision is to protect our planet by transforming access to renewable energy. As a pioneering renewable energy company that develops and owns solar and battery storage projects, BlueWave has developed and built more than 150 MW of solar projects to date and is actively developing battery storage projects to ensure our grid is reliable and efficient in a clean energy future. As built, these projects collectively generate enough solar energy to avoid more than 144,000 metric tons of carbon emissions annually. BlueWave is proud to be a certified B Corp, scoring in the top 5% of companies assessed towards certification in Governance, and named Best for the World for Governance.

BlueWave, as a leadership member of the Coalition for Community Solar Access (CCSA) and a member of the Solar Energy Industries Association (SEIA), would like to reinforce our support for the positions put forth by CCSA and SEIA in their comments to this proceeding. BlueWave's below comments elaborate on considerations related to dual-use, or agrivoltaic, solar projects and their role in the community solar permanent program. We look forward to submitting more detailed comments about the dual-use pilot program when that docket is opened.

We understand that topics specific to the design and qualification of dual-use projects will be addressed in a separate proceeding; however, it is imperative to plan seamless coordination between all of New Jersey's solar programs. Doing so will maximize every ratepayer dollar

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while directing development towards the Board's preferred policy outcomes of enhancing agricultural viability and connecting low-income ratepayers with community solar savings. Above all, we urge the Board to minimize administrative barriers between programs that would otherwise prevent maturation of this critical and statutorily mandated market segment.

Dual-use projects should be eligible to participate in the community solar permanent program.

Dual-use community solar projects meet New Jersey's critical goals surrounding climate change, clean energy, and farmland preservation. A farmer hosting a dual-use array receives long-term lease payments and agricultural investments that can bolster the longevity, diversification, and expansion of their operations. They are able to implement regenerative agricultural practices, improving the carbon sequestration of the soils under the array. By becoming a subscriber to the same community solar project, the farmer can join their neighbors, local businesses, nearby municipalities, public schools, and nonprofits in realizing savings on their electric bill. Even city-dwellers who are looking for a connection to their local farm stand or a way to support rural economic development can engage with the dual-use community solar farm and receive savings while helping to advance New Jersey's clean energy goals.

To facilitate this win-win-win outcome, qualified dual-use projects that have met design standards and research requirements as determined under the dual-use program rules should be able to apply for the community solar permanent program in order to serve community solar and low-income offtakers. We encourage the Board to allow a single project to meet multiple policy goals and thus receive a base incentive through the ADI program as well as an adder for dual-use (similar to the Public Entities Adder). While we understand that it is imperative these programs remain under the cost cap, BlueWave reiterates that each respective incentive for the dual-use and community solar programs would cover the marginal cost of complying with each program's separate rules and requirements.

For example, a community solar project's incentive is meant to account for incremental customer acquisition and management costs, which are particularly expensive when identifying and qualifying low-income customers. On the other hand, a dual-use adder can be used to cover incremental costs related to farm asset management, a direct pass-through to fund agricultural infrastructure and operations, additional materials and construction costs, and ongoing operations, maintenance, and insurance protecting the panels, plants, and people existing on-site simultaneously. We also expect that the incentive level for the dual-use pilot program will account for its relative novelty in the New Jersey market. As financiers better understand the costs and risks of deploying agrivoltaics in New Jersey, and as the market matures, costs will decline and the BPU can appropriately revisit incentive levels for the permanent dual-use program.

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In order to avoid double-counting capacity allocations and maintain ratepayer savings, dual-use projects that are awarded community solar incentives should only take capacity from the dual-use pilot program. This structure between the two parallel programs makes sense administratively and when accounting for New Jersey's budget restrictions under the cost cap. We feel especially comfortable making this recommendation in light of the Board's recent findings that the ADI program has not exceeded the cost cap thus far, and is not forecasted to do so in future years. We encourage the Board to implement this cooperation between programs as soon as possible, rather than during the eventual implementation of the dual-use permanent program. Seamless integration of the two programs will be critical to the success of each, and the dual-use pilot program will provide the Board with ample opportunity to adjust as needed while projects come online and demonstrate viability.

We applaud staff for proposing a first-come, first-served community solar permanent program with meaningful maturity requirements and a commitment to smart land use. Dual-use projects adhering to rigorous siting, construction, and agricultural standards not only fit the mold of eligible sites under the proposal, but also reflect a marked difference from greenfield-mounted solar deemed unfit for qualification under the community solar pilot program. Designating dual-use as an eligible use for community solar projects, and allowing these projects to apply under the community solar permanent program would facilitate the Board's policy goal of directing development to the least invasive sites with the most environmental co-benefits.

BlueWave greatly appreciates the Board's efforts thus far which have made New Jersey a leader in the clean energy transition. We are excited to continue working with staff and other stakeholders within the various proceedings related to the solar successor program, community solar, grid modernization, and dual-use. Please do not hesitate to reach out to us with any questions or to request more information. Thank you for your consideration and for your leadership.

Sincerely,

Kaitlin Hollinger
Policy Manager
BlueWave