



Wednesday, December 13, 2023

via email: board.secretary@bpu.nj.gov

Ms. Sherri Golden
Secretary of the Board
State of New Jersey, Board of Public Utilities
44 South Clinton Ave., 1st Floor
PO Box 350
Trenton, NJ 08625-0350

Re: BPU Docket Number QO23090679

Dear Secretary Golden:

NJR Clean Energy Ventures Corporation ("NJRCEV") is grateful for the opportunity to provide our comments regarding BPU Docket Number QO23090679, specifically addressing the Dual Use Straw Proposal released on November 9, 2023.

NJRCEV is among the leaders in the New Jersey Clean Energy markets. Since 2010, we have invested more than \$1.2 billion in over 470 MW of solar projects across all market segments and counties in New Jersey, comprising about 10 percent of solar installed in the State. This investment has supported more than 1,000 local jobs constructed with union labor, helped our customers save on energy costs, and reduced 330,000 tons of greenhouse gas emissions.

Please find our comments regarding specific items in the straw proposal below:

Program Size

In consideration of the ambitious goals set forth in the straw proposal, we advocate for the initiation of the Dual Use Program through a phased approach, starting with a 50MW annual pilot [per year] over 3 years, similar to how the Community Solar pilot was developed. This methodical approach will allow for a meticulous evaluation of the program's impact and adaptability to diverse agricultural applications. A scaled pilot provides the necessary flexibility to address potential challenges, ensuring that the majority of the viable dual-use sites in New Jersey remain available to benefit from mature development opportunities and proven technologies on that land. This approach will not only instill investor confidence in the ability to develop agrivoltaics projects in New Jersey but will also provide a low risk "sandbox" to test and implement an array of different siting applications, new technologies, and research methodologies.

Incentive Structure

P.L.2021, c.170 – the basis for this straw proposal – called for "the BPU to establish financial incentives available to dual-use solar energy projects under the pilot program." Farmers are the backbone of this

initiative, and it is crucial to provide them with stability and predictability – both in process and revenue streams. In line with the letter of the law, we propose adopting a fixed Administratively Determined Incentive (ADI), as opposed to Dual Use projects being required to participate in a competitive solicitation process. These projects will still be scored and awarded, like the permanent Community Solar program structure, ensuring only the best sites are awarded – while also ensuring there is a known incentive for stability in project development and farmer revenue streams.

An ADI structure offers farmers and developers a fixed incentive, simplifying the process and fostering increased participation. Predictability is a key factor in encouraging farmer engagement and long-term commitment to the program. To align with the straw proposal in terms of solar capacity limits, and to ease the administration of this program, we recommend increasing the ADI requirement from 5MW to 10MW to limit the administrative burden in managing the approval of these projects. This program should also be first-come, first-served – with stringent maturity requirements (akin to those implemented in similar parts of the SREC-II program) to ensure that only viable projects are capable of securing capacity in the Dual Use program.

Lastly, we recommend that NJBPU provide an expeditious approval process for dual-use solar installations on presently non-farmed land, regardless of the soil designation. In respect to the proposal's focus on economic viability, we suggest that if the incorporation of solar facilities enhances the economic feasibility of transitioning currently unused land into agricultural use, such projects should merit automatic approval/waiver. This streamlined approach, in line with the program's goal of promoting sustainable land use, ensures that underutilized areas seamlessly contribute both clean energy generation and agricultural expansion.

Ensuring Farmer Engagement

The success of the Dual Use Program is closely tied to how well it aligns with the needs and preferences of individual farmers. To this end, we recommend minimizing restrictions and research components, allowing farmers more autonomy over their own land.

The largest of these siting impediments is the requirement of a “research control area” – in which a sizeable portion of land needs to remain untouched, to compare to the land under the array. NJRCEV understands the importance of continual research, especially in a more emerging area like agrivoltaics; however, New Jersey is made up of predominantly family farms, with limited land. A program that respects and empowers farmers in decision-making, fosters a collaborative partnership, ensuring the integration of solar facilities with farming activities is a positive and mutually beneficial experience.

Lastly, this program will be made up of small, family farms which over the course of their operation are not able to perform wholistic energy/electric infrastructure planning. The net result is that many of these farms have several different electric services running to different areas of their land. Unlike in recent solar program rulings, NJRCEV recommends that the BPU ensures that co-location will be allowed in the Dual Use program, to circumvent many issues in this regard that will certainly arise and provide the maximum economic benefit to the farmer. Given the current prohibition of net metering aggregation in New Jersey, farms will require the ability to co-locate several different arrays on different pieces of their land, to ensure their solar capacity will be capable of meeting their total electric consumption, and not limited to the consumption of one particular segment (residence, barn, fields/pumps, etc.).

We appreciate the opportunity to comment on this proceeding. We look forward to working with Staff and stakeholders to ensure a successful program that will facilitate robust dual use, agrivoltaics solar development opportunities and enable the State to reach its aggressive Clean Energy agenda.

Respectfully,

Steve Osborne, Jr.
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