

August 2, 2024

Sherri Golden
Secretary of the Board
New Jersey Board of Public Utilities
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P.O. Box 350
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Proposed Amendments: N.J.A.C. 14:8-4.2 and 14:8-5 Proposed New Rules: N.J.A.C. 14:8-5.10, 5.11, and 5.12

Docket No: Q021010085

Dear Secretary Golden:

NAIOP New Jersey, the Commercial Real Estate Association, is grateful for the opportunity to provide comments in response to the New Jersey Board of Public Utilities' proposed rules regarding the interconnection of distributed energy resources (DERs) to the electric grid. NAIOP NJ is commenting on this proposal because, as we outlined in our recent position paper, [*Energy Policy Priorities for the Commercial Real Estate Sector*](#), reliable access to energy is critically important to New Jersey's commercial real estate industry and to the state's overall economy. And as mentioned in our position paper, we urge that the state continue to support the growth of community solar and the installation of solar on warehouses.

Streamline Interconnection and Standardize Processes (14:8-5.1)

Electric Distribution Companies (EDCs) should implement standardized, software-based application platforms to track interconnection requests. This centralized system should automatically notify applicants of missing information, accelerating review times and ensuring consistent procedures across the state.

Enhance Hosting Capacity Maps (14:8-5.11)

EDCs must provide more frequent and detailed hosting capacity maps, including higher voltage feeder data and clear circuit visualizations. These maps should indicate available capacity and the status of queued projects, enabling developers to accurately plan and site projects. The Board should encourage EDCs to adopt best practices from utilities like Orange and Rockland and PSEG Long Island. Additionally, maps should transparently display project queue information to facilitate potential cost-sharing opportunities.

Improve Pre-Application Process for Community Solar (14:8-5.10)

To streamline community solar project development, the Board should clarify the criteria for triggering the enhanced Pre-Application Verification/Evaluation (PAVE) process. This will reduce delays, enhance project planning, and improve communication between developers and EDCs.

Accelerate Grid Integration with New Technologies

EDCs should leverage Distributed Energy Resource Management Systems (DERMS) and smart inverters to optimize grid performance and facilitate the integration of DERs. Clear timelines for study completion, payment, and other key milestones should be established in collaboration with developers. New Jersey should adopt a “first ready, first through” queueing process and consider the New York Public Service Commission’s Standard Interconnection Process (SIR) as a model.

Relax Distribution Planning Criteria (14:8-5.4)

While recognizing the importance of grid reliability, the Board should review EDCs’ distribution planning criteria to avoid excessive equipment requirements that hinder smaller project development.

Promote Cost Sharing for Interconnection Upgrades (14:8-5.11)

To accelerate DER deployment, the Board should explore opportunities for cost-sharing interconnection upgrade expenses among EDCs, ratepayers, and developers. However, any cost allocation to ratepayers should be directly tied to benefits received. Developers should have the option to participate in cost-sharing arrangements.

Standardize Use of AC Values (14:8-5.2)

To improve grid management and data consistency, EDCs should uniformly use alternating current (AC) values in interconnection processes and hosting capacity maps.

Clarify Equipment Certification Requirements (14:8-5.3)

The Board should clarify the certification requirements for customer-generator interconnection equipment when facilities do not qualify for Level 1 interconnection.

Enable Proactive System Planning

EDCs should utilize predictive modeling and historical data to proactively plan grid upgrades, enhancing grid resilience and cost-efficiency. Collaboration with developers on energy storage system deployment is essential.

For New Jersey’s commercial real estate industry, thank you for this opportunity to comment on the proposed amendments and proposed new rules.

Sincerely,



Dan Kennedy
CEO
NAIOP NJ