
August 2, 2024

VIA ELECTRONIC MAIL ONLY

Sherri L. Golden, Secretary
New Jersey Board of Public Utilities
44 South Clinton Ave., 1st Floor
Trenton, NJ 08625
board.secretary@bpu.nj.gov

**Re: In the Matter of Modernizing New Jersey’s Interconnection Rules,
Processes and Metrics
BPU Docket No. QO21010085
PRN 2024-067**

Dear Secretary Golden:

On behalf of Jersey Central Power & Light Company (“JCP&L” or the “Company”), please accept this letter as JCP&L’s comments on the proposed rule changes published in the June 3, 2024 New Jersey Register pursuant to *In the Matter of Modernizing New Jersey’s Interconnection Rules, Processes and Metrics*, Docket No. QO21010085 (“Proposed Rules”). JCP&L appreciates that the New Jersey Board of Public Utilities (“Board” or “BPU”), its staff (“Staff”) and its consultant, Guidehouse, Inc. (“Guidehouse”), have sought the input of JCP&L and the State’s other electric distribution companies (“EDCs” or “Utilities”) on the prior “straw proposal” for modifications to the BPU’s interconnection rules. The Proposed Rules include modifications relative to the straw proposal that reflect consideration of the EDCs’ previously-stated concerns and recommendations. The Proposed Rules have come a long way, and the Company thanks the Board for addressing a number of concerns it raised with the prior iterations. However, JCP&L does have a number of remaining concerns that should be addressed to ensure a workable process that balances the integrity of the electrical grid with an improved interconnection process for applicant and EDC alike.

General Comments and Recommendations

As stated in the Company’s prior comments on this matter,¹ the interconnection process should first and foremost be focused on protecting the integrity and maintaining reliability of the

¹ *In the Matter of Modernizing New Jersey’s Interconnection Rules, Processes, and Metrics*, BPU Docket No. QO21010085, Comments of Jersey Central Power & Light On Stakeholder Notice (dated April 24, 2023) (“prior comments”).

grid, as the Company and Board work together to simultaneously make the interconnection process more efficient, achieve the Energy Master Plan's ("EMP") ambitious goals, accommodate customers' growing interest in distributed energy resources ("DERs"), and ensure thorough and comprehensive planning that accommodates those goals and interests. However, JCP&L agrees with the Board that procedural improvements would benefit all parties involved with DER interconnections.

To that end, the Company has actively participated in the Board's "GridMod"-related stakeholder discussions, suggesting improvements such as a "pre-application" process, which finds form in the Proposed Rules. FirstEnergy Corp. ("FirstEnergy") is also actively engaged in development of an improved on-line "portal" system for DER interconnections, as it recognizes the benefit of modernization and enhancement of its own interconnection application process for its customers. However, the Company reminds the Board that this system enhancement is being developed on a FirstEnergy-wide basis, as it is most cost efficient and effective for its customers to develop such a system throughout the entire enterprise footprint. JCP&L notes this example to encourage the Board to ensure the Proposed Rules allow for maximum flexibility in implementation. Several areas within the Proposed Rules use the adjective "common" (e.g., with respect to the "Common Interconnection Agreement Process", or "CIAP", and a "common hosting capacity mapping process"²). The word "common" is not, however, defined by the Proposed Rules. A strict interpretation of such terminology would create unnecessary inefficiency and expense to create uniformity, which is unnecessary. A developer working across FirstEnergy territories may well argue that it is more important to them to see consistency across all jurisdictions where FirstEnergy does business, rather than different portals, forms, and displays by state. JCP&L strongly encourages the Board to clarify that the use of "common" in the Proposed Rules does not implicate EDC uniformity, but rather that the EDCs will need to work together to see if there are areas where commonality would benefit applicants and not create unnecessary expense.

With respect to expense, the Company notes that the Proposed Rules will result in significant, yet-to-be determined incremental costs across various areas of development and implementation. For example, the Proposed Rules include many detailed features not included in FirstEnergy's current planned portal implementation or current hosting capacity mapping. JCP&L appreciates the language providing for cost recovery through base rates or the Infrastructure Investment Program ("IIP") for the CIAP, while reminding the Board that the IIP as implemented provides only for recovery of capital investments, not operations and maintenance expense ("O&M"). Given the importance of each of the measures found in the Proposed Rules to achieve the Board's objectives around "Grid Modernization", the opportunity to recover all incremental costs, both capital and O&M, associated with implementation of the Proposed Rules by way of a mechanism that provides full and timely cost recovery is critical. The Proposed Rules should allow at minimum the opportunity for a utility to defer incremental expense for utility recovery in its next base rate case, with appropriate carrying charges, but ideally should allow for any full and timely option recovery mechanisms that may be agreed to by the relevant parties.

² See Proposed Rules at 14:8-5.11 Hosting capacity maps.

The Proposed Rules in numerous instances use language substantially similar to the following: “by (120 days of the effective date of this rulemaking), each EDC shall make a tariff filing to implement...” It is the Company’s understanding from discussion with Board Staff that the Board’s intent is not to require full implementation within the stated timeframes (*e.g.*, 120 days of the effective date of the rulemaking to “implement a common hosting capacity mapping process to aid applicants...”), but rather that an EDC would within the stated timeframe file with the Board a “plan” via its tariff for implementation. If this is the case, the language in the Proposed Rules regarding implementation and related timeframes should be made much clearer. The proposed implementation timeframes for numerous aspects of this proposal, if they are in fact to be interpreted strictly as the timeframe included within parentheses (*e.g.*, 120 days as noted in the above example), are wholly inadequate for implementation. The most striking example may be found in the Proposed Rules governing hosting capacity maps. The changes to hosting capacity maps found in the Proposed Rules would take up to two years to plan, develop, code, and fully implement, even if deployed in a phased-in manner. The Company strongly encourages the Board to explicitly state that said language found throughout the entire proposal regarding timing for “tariff filings” associated with implementation does *not* require full implementation by the end of said timeframe - rather such timeframes govern filings with the Board that will lay out each EDC’s schedule for implementation.

PJM Interconnection LLC's (“PJM”) September 1, 2023 Compliance Filing proposed for Federal Energy Regulatory Commission (“FERC”) Order 2222 includes many new DER definitions including some that have not yet been approved by FERC. These new definitions, when implemented by FERC, need to be reconsidered in relation to these Proposed Rules to ensure there are no conflicts with these Proposed Rules and that there is alignment with New Jersey's and PJM's processes.³

Finally, the Proposed Rules include a few new provisions, such as those found in subparagraph (o)3.ii. of proposed rule 14:8-5.5,⁴ that set timelines for applicant response or action. The Company has encouraged such applicant timelines in discussions over prior iterations of this proposal. Unfortunately, far more is needed to ensure fair treatment of all applicants in EDC application queues and reduction of “queue-clogging” by non-responsive applicants. For example, an approval to install should be time-limited, such as for two years with a one-year extension. An applicant should not be allowed to “sit” indefinitely on a completed study without canceling or moving forward.⁵ In essence, the establishment of timelines is critical to ensure fair treatment for all and this compliance burden should fall on applicants as much as they are proposed to apply to the EDCs in the Rule Proposal. JCP&L encourages the Board to include such additional timelines.

⁴ “Any required payments for the additional review shall be received within 30 days after invoicing. If such deposits or payments are not made, the EDC may make the interconnection capacity available to other potential customer-generators and may require the applicant to re-start the interconnection process...”

⁵ JCP&L notes that Maryland’s Code of Regulations allow a customer-generator 12 months after a conditional approval to submit a certificate of completion, for systems larger than 100 kW. *See* COMAR 20.50.09.06N.(b).

N.J.A.C. 14:8-4.2 Net metering definitions

Customer Generator: The Proposed Rules include energy storage devices in this definition. While this section of the rules concerns “net metering”, the definition of “energy storage device” includes a device “capable of storing energy from the grid”, which appears to open the door to a customer being allowed to store energy produced by the grid whether said energy is produced by renewables or fossil-fueled generation, and then being able to export this energy back to the grid while receiving net energy metering credit.

The underlying statute only allows net metering of class I renewable generation. N.J.S.A. 48:3-87(e).⁶ While the Proposed Rules’ definition of “Net-Metering Generator” provides that “only the electricity produced by the class I renewable energy sources shall be eligible for Net metering treatment”, this definition lacks guidance on how to ensure only output from the class I source is being “counted” and provides no parameters, restrictions, or rules that such customers must follow that will ensure that other sources of generation behind the meter are not used to inappropriately increase the export capabilities from a class I renewable energy system. The potential for numerous present and future customers to install battery storage systems or export capabilities from bi-directional electric vehicle supply equipment (“EVSE”) and thus to fall under this scenario also raises questions of how this can be handled appropriately in an automated retail billing system. And, pursuant to current regulations, the primary objective of net metering is to allow customers to offset their annual load. See N.J.A.C. 14:8-4.3(a) (limiting the capacity of a qualifying Class 1 resource to the size of the customer’s annual average load). The Board should convene further workgroup discussion to address these concerns.

N.J.A.C. 14:8-5.1 Interconnection definitions

“Distributed Energy Resource” or “DER” Definition: This definition is inconsistent with Institute of Electrical and Electronics Engineers (“IEEE”), *i.e.*, IEEE 1547-2018, definitions. It should read “connected to the public utility’s area electric power system (EPS)” to be consistent with IEEE 1547. In addition, the IEEE definition does not include “controllable load”. It is unclear how the interconnection application process under the Proposed Rules would address controllable load.

The definitions of “**Electrical Power System**” (“**EPS**”) and “**IEEE Standard 1547**” both call for the version of the IEEE standard to be referenced (*e.g.* IEEE 1547-2018) to be updated upon the newer version having been “identified in a Board Order”. Given the amount of time it can take for development and approval of a Board order, this seems unnecessarily burdensome and likely to cause a lag in the standards between those applied in New Jersey and the IEEE standards. The IEEE process should dictate the standard used. The Company suggests that adoption of the

⁶ “The standards shall require electric power suppliers and basic generation service providers to offer net metering at non-discriminatory rates to industrial, large commercial, residential and small commercial customers, as those customers are classified or defined by the board, that generate electricity, on the customer's side of the meter, using a Class I renewable energy source, for the net amount of electricity supplied by the electric power supplier or basic generation service provider over an annualized period.”

IEEE Standard 1547-2018 be made with the phrase, “as it may be modified or updated by IEEE in the future”.

“EDC Grid Flexibility Services” Definition: As the Board and EDCs have not yet determined the mechanism for offering such services, JCP&L prefers that this definition be deleted. JCP&L is conceptually supportive of development of such a mechanism and will actively engage in whatever proceedings are initiated by the Board to develop said mechanism. Certainly, development of this concept should occur in conjunction with the development of “Integrated Distribution Plans” and further “Grid Modernization” rulemaking. However, it is premature to include a definition of an undeveloped program in these rules.

“Interconnection Agreement” Definition: The Company is concerned that this definition, by adding “or as part of a DER aggregation” implies that a new Interconnection Agreement may not be required for an approved, interconnected DER that subsequently joins a DER aggregation pursuant to FERC Order No. 2222. The individual DER’s participation in a new DER aggregation may have a detrimental impact on the grid, and the EDC should have the opportunity to conduct new studies and require a new interconnection agreement. The Company seeks clarification that this definition does not preclude a new interconnection agreement in such circumstances.

“Non-exporting customer-generator facility” and “Non-exporting technology” Definitions: In comments on the prior draft of these Proposed Rules, JCP&L had raised significant concerns with “certification” of non-exporting technology that has been approved under California’s Rule 21 or otherwise not certified to an IEEE source requirements document (*e.g.*, IEEE 1547-2018). The Company appreciates the deletion of this provision. However, it now appears that there are *no* parameters around what is to be considered approved “non-exporting technology.” The definition or Proposed Rule at 15:8-5.3 should be explicit that non-exporting technology will be subject to IEEE 1547 standards for approval. Per the Company’s prior comments, if the Board is going to allow devices that are out of scope to the rigorous IEEE process, JCP&L recommends that the Board engage in a stakeholder process with engineering experts to establish operational parameters that it can adopt in a subsequent Order. The Proposed Rules should be modified to account for the process of defining “non-exporting technologies.”

As the Company noted in its prior comments, an example of the type of parameters suggested for New Jersey’s rules may be found in Illinois rules Section 466.75 - Limited-Export and Non-Exporting Distribution Energy Resources Facilities.⁷ Those rules specify the type of export controls that are allowable (*i.e.*, Reverse Power Protection, Minimum Power Protection, Relative Distributed Energy Resource Rating, Directional Power Protection, Configured Power Rating, and Limited Export Utilizing Power Control Systems) and contain specific requirements around open loop response time and failure of the inverter or control system for power control systems. *Id.* In addition, those rules require that “[t]he export control types and settings listed [above] are acceptable for controlling export capacity unless the EDC identifies and communicates to the customer during the interconnection screening or study process specific impacts that affect

⁷ Ill. Admin. Code tit. 83, § 466.75.

the reliability, safety, operation and power quality of the EDC's system associated with the protection relays, settings and control schemes listed in this Section” *Id.* Illinois’s rules recognize the importance of ensuring careful scrutiny and EDC discretion in determining what types of non-exporting technology are allowed, in order to ensure the protection of grid integrity. The Company suggests the BPU follow a similar approach.

N.J.A.C. 14:8-5.2 General interconnection provisions

Alternating Current vs. Direct Current. While this subchapter correctly uses alternating current for the generation thresholds for assigning projects to each of the levels of interconnection application, proposed rules 14:8-5.5 “Level 2 interconnection review” and 14:8-5.6 “Level 3 interconnection review” incorrectly use direct current. Relevant devices are rated in alternating current. Impact to the distribution system is considered and modeled in alternating current. The Company recommends this inconsistency be corrected.

Section (l): The Company is concerned that this provision may exempt existing DERs with interconnection agreements from being required to re-apply if, for example, the DER is seeking to increase its current peak export level or use a battery for frequency regulation. The impact of adding to a current peak export with additional exporting devices or reducing load via demand response or energy efficiency needs to be considered for safety and capacity purposes and re-application/re-study should not be exempted. This section should thus be deleted or clarification made that EDCs can require re-application or additional study in order to protect the integrity of the electrical system.

Section (m): *See* earlier comments in General Comments and Recommendations section with respect to cost recovery and use of the modifier “common”. As noted above, FirstEnergy is actively engaged in development of an improved online portal system for DER interconnections, as it recognizes the benefit of modernization and enhancement of its own interconnection application process for its customers. However, this system enhancement is being developed on a FirstEnergy-wide basis, ensuring cost efficiency and effectiveness for customers. Thus, it is important for the Board to ensure the Proposed Rules allow for maximum flexibility in implementation. The Company continues to question the apparent premise that having essentially identical portals across all four New Jersey EDCs provides significant benefit to developers and is worth potential additional expense to ratepayers and inefficiency in development across multi-state utilities.

Section (p): JCP&L appreciates the inclusion of language that recognizes that issues outside of the Company’s control, such as the occurrence of storm events, may sometimes interfere with ability to meet rigid timelines, especially given the fact that utility personnel may have alternate responsibilities during such events. However, by the same logic, providing written notification to Board Staff within three days of missed deadlines may not always be feasible. The Company recommends this timeline be met where “feasible”. This would not release the EDCs from the requirement to report such missed deadlines but would provide a more practicable way of implementing the requirement. In addition, JCP&L encourages Board Staff to consider the

impracticality of keeping “...Board Staff...updated of *any* changes in the completion date” (emphasis added). The Company recommends deletion of this proposed requirement.

N.J.A.C. 14:8-5.3 Certification of customer-generator interconnection equipment

Subsection 2 of Section (a): Reference is made to Supplement A of UL-1741. However, Supplement A inverters are non-compliant with IEEE 1547-2018. Thus, the reference to Supplement A should be deleted.

Sections (c) and (d): The Company recommends the addition of “beyond that which is required under IEEE-1547-2018 (or latest approved, applicable IEEE standards)” at the end of each of these sections. This will ensure that this language is not interpreted as precluding “further” review or testing that may be *required* by the IEEE standards.

N.J.A.C. 14:8-5.4 Level 1 interconnection review

Section (a): JCP&L supports the increase from 10 kW to 25 kW for Level 1 interconnections. This will help to streamline the process for both applicants and EDCs.

Section (b): JCP&L supports and appreciates the establishment of a fee of \$100 per Level 1 application. As JCP&L has indicated, the Company anticipates there will be substantial additional cost associated with implementation of the changes to this Chapter, and the establishment of a Level 1 fee will help to offset ratepayer cost impacts.

Section (d): JCP&L appreciates maintenance of existing requirements that preclude interconnection to a “transmission line”, noting that JCP&L’s FERC-jurisdictional transmission infrastructure includes voltages of 34.5 kV and above.

N.J.A.C. 14:8-5.5 Level 2 interconnection review

Section (a)1: This section should refer to alternating current, not direct current, as noted in the Company’s comments above.

Section (b): Similar to the Company’s previous recommendations for modifications to sections (c) and (d) of subchapter 5.3, it recommends inclusion of the following at the end of this section “...or not required for the customer generator facility to conform with IEEE-1547-2018 (or latest approved, applicable IEEE standards).” This will ensure that this language is not interpreted as precluding “additional requirements” that may be required by the IEEE standards. The Proposed Rules should be clear that conformance with IEEE standards is required.⁸

Section (q): Existing rules and proposed changes herein treat commissioning as if it is a singular event. In reality, it is a process that occurs over a number of days or weeks, including

⁸ For example, this will ensure clarity that current Company requirements that customers need to install relays as supplemental DER devices to meet the open-phase detection requirements of the IEEE standard continue to apply.

submission of a written commissioning plan in accordance with IEEE-1547-2018 to the EDC for review and acceptance; submission of an as-built site plan and single-line drawings; and, submission of all information supporting successful commissioning and testing which includes the completed commissioning plan checklist and all logs of tests and commissioning activity performed. Ideally, the rules would state “(q) At least 10 business days prior to starting **commissioning and testing** [operation]...” and enumerate the components of commissioning provided above. However, the Company encourages the Board to consider at the least confirming through the Proposed Rules or in response to these comments that the commissioning provisions found in the IEEE standards are to be followed.

N.J.A.C. 14:8-5.6 Level 3 interconnection review

Section (a): In the Joint EDC comments previously filed on the prior iteration of the Proposed Rules,⁹ the Joint Utilities suggested including power flow “studies” in addition to simply using “screens” to describe what the Proposed Rules will require the utilities to develop for Level 3 interconnection application review. The Proposed Rules simply require common “screens”. This section should use the term “studies” or “procedures” to accurately reflect what will be required to ensure proper review of interconnections at this level. Accordingly, the timeframe of 120 days of the effective date of the rulemaking for joint EDC development of such “screens” is inadequate. This section concerns the most complex and impactful DER interconnections, and development of analytical measures developed to help ensure such interconnections do not negatively impact the electrical grid must not be rushed. In the Joint EDC comments previously filed,¹⁰ the EDCs recommended use of one year from the date of adoption or effective date. In fact, the prior “straw proposal” draft of the rules effectively proposed a one-year period for the development of the “screens”. JCP&L encourages the Board to change this timeframe accordingly.

Section (a)1: This section should refer to alternating current, not direct current, as noted in the Company’s comments above.

Section (f): As noted earlier, existing rules and proposed changes herein treat commissioning as if it is a singular event or test. In reality, it is a process that occurs over a number of days or weeks, including submission of a written commissioning plan in accordance with IEEE-1547-2018 to the EDC for review and acceptance; submission of an as-built site plan and single-line drawings; and, submission of all information supporting successful commissioning and testing which includes the completed commissioning plan “check-out” guide, all logs of tests and commissioning activity performed. The Company encourages the Board to consider at the least confirming through the Proposed Rules or in response to these comments that the commissioning provisions found in the IEEE standards are all to be followed. The Proposed Rules in this section tie only “commissioning tests” to IEEE 1547 requirements.

⁹ *In the Matter of Modernizing New Jersey's Interconnection Rules, Processes, and Metrics*, BPU Docket No. QO21010085, Joint EDC Comments – NJ Interconnection (dated April 24, 2023) (“Joint EDC Comments”).

¹⁰ *Id.*

Section (i): Thirty (30) days is an insufficient period of time for the System Impact Study, whether done separately or in conjunction with a Facilities Study. While the Company very much appreciates the additional twenty (20) days provided if “system upgrades are required”, it continues to believe, as stated in its previously submitted comments, that the Proposed Rules should allow for additional extension at the mutual agreement of the applicant and the EDC.

Section (q): Consistent with the Company’s prior comments, JCP&L continues to believe that forty-five (45) business days is insufficient for completion of a facilities study. The Company recommends that this timeline be expanded to at least ninety (90) business days.

As noted earlier, JCP&L appreciates the language that has been added to this section providing that if the applicant fails to take certain steps within sixty (60) business days, the EDC may make the interconnection capacity available to other potential customer-generators and may require the applicant to re-start the interconnection process. Such requirements will be helpful in reducing “queue-clogging”, though the Company again encourages the Board to include such provisions throughout the Proposed Rules.

Section (r): Consistent with the Company’s prior comments, the period of time allowed for a start date for commercial operations of within thirty-six (36) months of the applicant’s execution of the Interconnection Agreement should be shortened to twelve (12) months. With such a change, the Proposed Rules would still allow for an extension by mutual agreement of the EDC and applicant. If the applicant never reaches commercial operation, the proposed period disadvantages other applicants in the queue who may be seeking capacity on the same circuit.

Sections (s) and (t): These sections contemplate a partial deposit and a subsequent “true up” of costs when the upgrades required by the facilities study are completed. JCP&L does not presently “true up” costs. The Company’s system produces upgrade costs as a result of study, and those are the costs the applicant will be initially charged “up front”, regardless of whether actual costs exceed the study estimate. The rules should allow for this process, which JCP&L believes to be more efficient for the applicant and EDC. The revised deposit process should be made permissive for those EDCs who do engage in a reconciliation of costs, but not required.

N.J.A.C. 14:8-5.7 Interconnection fees

The Company has no comments on this subchapter.

N.J.A.C. 14:8-5.8 Testing, maintenance, and inspection after interconnection approval

Section (b): While it is included in the existing rules, the provision that “[n]o recordkeeping is required for maintenance or testing performed on a customer-generator facility approved through a level 1 review” is not in compliance with IEEE 1547-2018. At a minimum, any change to software, firmware or hardware should be documented in a log along with any test reports confirming that required settings have not been changed.

N.J.A.C. 14:8-5.9 Interconnection reporting requirements for EDCs

As the Company noted in its prior comments concerning the proposed reporting requirements in the subchapter,¹¹ it is concerned that this subchapter contains numerous, burdensome new data collection, tracking, reporting and retention requirements that offer dubious benefit to applicants and the public. They will create additional cost that will ultimately be borne by ratepayers. While the Company appreciates that Board Staff did make some changes to the requirements of this subchapter based on prior comments of the Joint EDCs,¹² JCP&L still believes the Board needs to more closely consider what it is ultimately hoping to glean from this data, particularly the “Key Performance Indicators”. For example, if the concern is around the period of time for completion of interconnections, then the Key Performance Indicators should focus on number of times applications took longer to complete than the regulatory-required timeframes.

The Company again encourages Board Staff to discuss with the EDCs and developer community what specific issues it is attempting to identify and/or track through this data, and how to hone the tracking and reporting requirements to align with its goals. To further illustrate the point, pursuant to N.J.A.C. 14:8-4.5, JCP&L must submit semi-annual net metering reports on August 1 and February 1, pursuant to previous/existing interconnection reporting requirements. With the changes under these Proposed Rules, EDCs will be required to now produce the two semi-annual net metering reports, as well as approximately twelve (12) monthly KPI updates to their websites; four (4) quarterly interconnection updates due by the first day of each quarter; and an annual report sharing the full results of all recurring testing performed on legacy interconnected customer/generators.

Section (c)2: The term “successfully interconnected” is not elsewhere defined in the Proposed Rules, and thus this should be replaced to comport with terminology set out in the existing and Proposed Rules, such as “submitted a signed Part 2 of the application to the EDC” or the like.

Section (e): JCP&L notes that it does not perform any recurring testing on legacy interconnected customers/generators. This is the customer’s responsibility, and they would have their own records of this testing.

N.J.A.C. 14:8-5.10 Pre-Application Verification/Evaluation (PAVE) process

JCP&L supports a requirement that the EDCs make available to applicants a Pre-Application Verification/Evaluation process (“PAVE”), and as such suggested such an approach in the stakeholder process leading up to this rulemaking. However, the Company has new concerns with the Proposed Rules.

¹¹ See prior comments of JCP&L (dated April 24, 2023).

¹² *Id.*

Section (a)1: This section creates the option for an “Enhanced PAVE process” for a fee of \$700 for community solar facilities or “community energy systems”. However, this section does not elaborate on what type of differential treatment there should be for an “Enhanced PAVE” relative to a typical PAVE. The only, limited guidance to be found is in the definition of “Enhanced PAVE process” found at subchapter 5.1 of the Proposed Rules, where it is defined as “a real-time meeting between an EDC and a prospective community solar facility or community energy system applicant in which the EDC reviews and walks through a PAVE report. The enhanced PAVE process is an optional addition to the normal PAVE process.” Yet, in section (d) of this section of the Proposed Rules, *all* PAVE applicants are to be offered “a meeting with the potential applicant to review the findings [of the PAVE report].” The only distinction seems to be the use of the modifier “real-time”. It is unclear to JCP&L how a meeting could be anything other than “real-time”. Thus, there does not appear to be a distinction between an “un-enhanced” PAVE and an “Enhanced PAVE”.

Section (b): This section contains previously undiscussed language suggesting use of the CIAP as a “configurator” with respect to an interconnection pre-application. While JCP&L is willing to use its portal as a tool to facilitate initiating of a PAVE, it is not clear what is intended by using the CIAP for “screening” or as a “configurator”, especially given that a formal application would not even have been submitted. The CIAP is not a design tool – it should be a means of facilitating the exchange of information between the applicant and EDC. The notion of vastly expanding the role of the CIAP as some kind of “configurator” tool for designing a DER project is troubling. Even the notion of the CIAP itself being a “screening” tool is inappropriate. It is a tool for the facilitation of information exchange between the applicant and the EDC. The PAVE leads to a report and discussion which will be helpful in assisting the potential applicant to make a decision about whether it makes sense to submit a full application. There is potential for significant added cost associated with the use of these newly-added terms/concepts. They were not included in the prior iteration of these rules with respect to the PAVE report. JCP&L strongly objects to their inclusion, and they should be struck.

N.J.A.C. 14:8-5.11 Hosting capacity maps

JCP&L continues to have concerns with proposed requirements governing hosting capacity maps. The Company feels strongly that a drive towards identical capacity maps across the New Jersey’s EDCs provides only marginal benefit to developers while increasing potential costs and inefficiency across multi-state utilities such as FirstEnergy. Terms such as “in a consistent manner” are subject to some interpretation, and the rules should make clear that while EDCs should collaborate on methodology, terminology and presentation, there is not a requirement that hosting capacity maps be identical across EDCs.

The Electric Power Research Institute notes the following about hosting capacity maps.

Hosting capacity maps will, however, always have limitations. They are inherently the product of model-based calculations that provide hosting capacity approximations based on a snapshot in time and the

impact factors evaluated. The maps are intended to act as a guide rather than an approval mechanism. They do not always reflect the design and/or “as operated” system conditions. Because of the operational requirements of the distribution system and the rate of DER application acceptance in some areas, the information provided on maps is not “real-time.”¹³

JCP&L provides this excerpt to reinforce that hosting capacity maps are one important tool for potential applicants, but also to note these maps are a “guide” that helps a potential applicant determine if an application is worthwhile. They are neither a means for making a decision about whether a certain project will ultimately be approved, nor a system planning tool. The fact that the PAVE process will now be required to be offered to applicants under this chapter also obviates the need for the expense, administrative burden and potential infeasibility associated with implementation of a number of the new mapping requirements called for in this subchapter. For example, the Company does not believe it will be able to include in a map “a range of budgetary cost estimates” for a given address at the “high level” estimate range of +/-25% (which range is given as an “example” of “high level”), as called for in paragraph 5 of section (c); or, existing solar photovoltaic (“PV”), non-PV and storage nameplate capacity for a given circuit with each unit individually labeled, as called for in paragraph 9 of section (c). With respect to “cost estimates”, such determinations often require a study and are specific to the circuit and infrastructure impacted. Yet a potential applicant’s use of a hosting capacity map comes before the applicant has applied and the Company has determined if a study is even necessary, making it problematic to provide a meaningful estimate. Also, requiring such a level of detail creates more opportunity for misleading information to be provided to a potential applicant through the map, which information may subsequently be determined to be incorrect upon full study or may have changed since last update. And finally, inclusion of nameplate capacity in certain instances (*e.g.*, where there is only a single PV DER, non-PV DER, or storage resource on a circuit) would effectively publicly display information about individual customers without their consent.

Coupled with the level of detail called for in paragraphs 7 and 8, which appear to require information about individual “potentially limiting” system components, the Proposed Rules call for a level of detail that will create significant additional expense, to the extent such detail is feasible, with minimal and/or dubious benefit to potential applicants. In addition, it is not clear what the Board means by “closed” in paragraph 1 or “uniform load” in paragraph 6 of section (c).

Section (c): JCP&L appreciates the Board’s recognition that physical and cyber security concerns limit what types of system components, constraints, and data can and should be shown on public-facing maps. Language conditioning inclusion of certain information about JCP&L’s system on relevant rules, laws and Company policies is welcomed. EDCs face an evolving threat environment with respect to physical and cyber security. Requirements to “visually present... substations, feeders, and related distribution assets...”, identification of “potentially limiting equipment”, “transmission interdependencies”, circuit “transient/dynamic stability limitations”

¹³ Electric Power Research Institute, *Recommended Best Uses and Expectations for Public-facing Hosting Capacity Maps*, p. 15 (2020)

and the like all raise security concerns that warrant further discussion, while offering dubious benefit to potential applicants. The level of granularity of data and its visual presentation will matter, and the Company welcomes the Board's recognition that it will need maximum discretion and flexibility for security purposes, and we encourage further dialog before adoption of this subchapter.

N.J.A.C. 14:8-5.12 Dispute resolution

Section (f)3: JCP&L supports establishment of a formalized dispute resolution process for interconnections. However, the Company believes the proposal should not establish a new third-party mediation process, but rather comport with the Board's current paradigm of "informal" complaints (which would now be via the Interconnection Ombudsman) and "formal" complaints (which would continue to be via a filing with the Board).

Conclusion

JCP&L thanks the Board for reviewing its comments and concerns on the Proposed Rules. We appreciate the collaborative process that has led us to this point, and the Company hopes to continue to work in a collaborative manner to address its remaining concerns.

Respectfully submitted,



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