

September 24, 2024

**VIA E-FILING & E-MAIL**

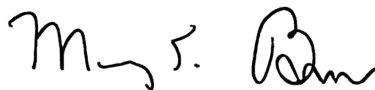
Sherri L. Golden, Board Secretary  
New Jersey Board of Public Utilities  
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[board.secretary@bpu.nj.gov](mailto:board.secretary@bpu.nj.gov)

**Re: I/M/O Competitive Solar Incentive ("CSI") Program**  
**Pursuant to P.L. 2021, C.169**  
**BPU Docket No. QO21101186**

Dear Secretary Golden,

On behalf of Enel North America, Inc. ("Enel"), enclosed please find Enel's comments on the Competitive Solar Incentive ("CSI") program in response to the Board of Public Utilities ("BPU") August 30, 2024, stakeholder notice.

Very truly yours,



Murray E. Bevan

Enclosure

cc: Enel North America, Inc.

**ENEL COMMENTS REGARDING CSI PROGRAM**  
**I/M/O COMPETITIVE SOLAR INCENTIVE ("CSI") PROGRAM**  
**PURSUANT TO P.L. 2021, C.169**  
**(BPU Docket No. QO21101186)**

Enel North America, Inc. ("Enel"), appreciates this opportunity to provide comments on the Competitive Solar Incentive ("CSI") program in response to the Board of Public Utilities ("BPU") August 30, 2024, stakeholder notice.

**3. Tranche-specific Considerations**

**Market tranches were created based upon the difference in project costs, siting preferences for projects on the built environment and marginalized lands that align with the statute and past Board policy, and anticipated revenue streams. In the second solicitation, no bids were received in Tranche 2, Grid Supply on the Built Environment, or in Tranche 4, Net Metered Non-Residential Projects greater than 5MW.**

**A. Please describe ways in which you think the current tranche structure could be changed that would encourage additional participation, such as changing tranche definitions, consideration of project types like floating solar, or capacity allocation changes.**

Dual use projects on unpreserved farmland should be included as a separate tranche in the CSI program and receive a higher incentive, and solar projects that may still be assessed as agricultural use from a land development standpoint should be allowed in the program and not be subject to the state and county farmland siting restrictions in the CSI program.

Pursuant to the following draft rule language regarding the dual use solar program that the BPU Staff circulated for comments on June 10, 2024, the Board is planning to allow dual use solar projects to receive incentives in the CSI program:

“(l) Dual-Use Solar Energy Projects approved by the Board for ADI Program incentives as described at N.J.A.C. 14:8-13 shall be eligible for an ADI Program incentive in the relevant market segment if not directed to participate in the CSI Program. A Dual-Use Solar Energy Project may be awarded a Pilot Program incentive Adder.  
(m) Dual-Use Solar Energy Projects approved by the Board for CSI Program incentives may be awarded a Pilot Program incentive Adder.”

As currently written, the draft rule on the dual use solar could be interpreted as requiring dual use projects over 5 MW to bid into both the CSI program solicitation and the dual use solar solicitation so that the project can get the CSI incentives and the dual use solar incentive adder. We support the work that the Board has put into developing a separate dual use solar pilot

program, but there would be less administrative burden on the BPU and less cost to solar developers if the dual use solar projects were part of the CSI program rather than conducting two separate solicitations. We strongly recommend creating a separate tranche in the CSI program for dual use solar projects over 5 MW rather than having two solicitations. Only projects that are less than 5 MW, and therefore eligible for the administratively determined incentive (ADI) program, should have to bid into the dual use solar solicitation.

For solar projects in the CSI program that may still be assessed as agricultural use after the solar panels are installed, we recommend that the Board refrain from applying the 2.5% state and 5% county limits on farmland development

Enel also recommends the following changes to the CSI program for all projects (not just dual use solar projects):

- The BPU should consider increasing the application fee amount.
- Site plans should not require a licensed professional engineer's seal. This is unduly burdensome in finalizing plans. For large solar projects, this is not common or necessary at this stage of the project development.
- Energy storage technology should not have to be identified at this time. With energy storage technology changing rapidly and the low likelihood that equipment will be purchased prior to having an award, this information should not be required until later in the BPU's process.
- More flexibility on sizing changes should be allowed. A size change of 25kWdc is negligible and adjustments greater than this amount will very likely be required. This restriction is being carried over from previous programs and does not work for utility scale solar projects. The cap is fine, but if there is a reduction in MWs, the applicant should be allowed to reduce the project size. As technology changes and equipment selection is finalized, which typically will occur after the award, the project will be refined and MWs will need to be adjusted. Also, sometimes constraints can surface later in the design of the project, reducing the buildable area.
- The timing of waivers to the siting criteria do not work. It will take months to obtain any kind of a waiver from the BPU and other cooperating agencies, so it is effectively useless. There should be an avenue to allow waivers to be reviewed earlier in the process.
- Regarding siting criteria, county agricultural limits should be removed, and the forested land requirement should be eliminated. There are already many restrictions on forested

land use in New Jersey. The BPU's definition of forested land is broader than other restrictions and is further inhibiting the use of what should be allowable land. New Jersey land is very expensive in comparison to other states and this restriction on removing trees is further driving up costs, reducing the efficiency of land use for a solar project.

- Tranche 5 batteries should be allowed even after a Tranche 1 award. It is possible that a hybrid system will be added to an awarded solar project. This is particularly helpful if the stand-alone energy storage incentive program is not finalized over the next year or two.
- The BPU should have more flexibility on increasing the annual MW goals, considering the CSI program is behind schedule and New Jersey is behind schedule in obtaining RECs from offshore wind as well.
- The Confidential Price Cap should be reconsidered or the BPU should be provided more discretion to exceed the cap as needed. The first auction, which resulted in no awards, reflects the problems with the confidential price cap.
- Additional time should be provided to CSI project developers to clear deficiencies if needed.
- Regarding the initial registration process:
  - The BPU should eliminate the requirement to upload the same documents that were already provided during the prequalification process. It seems unnecessary and duplicative.
  - The BPU should also permanently remove the building and electrical permits requirement, which the BPU waived for the 2023 solicitation pursuant to its April 12, 2023, order addressing registration requirements. This is extremely problematic.
- If a developer would like to move forward with a project outside of the CSI program solicitations, the registration process should be made available. Clarification is needed regarding how a project would be registered outside of the CSI Program solicitations. Also, if a project is completed outside of the CSI program, it should have the ability to bid into the program.
- Some of the construction requirements are onerous and costly to administer.

Thank you for this opportunity to provide feedback and recommendations regarding the Competitive Solar Incentive Program.