



December 17, 2024

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The Southern New Jersey Development Council (SNJDC) appreciates the opportunity to provide feedback on the updated New Jersey Energy Storage Incentive Program (NJ SIP) Straw Proposal. We commend the New Jersey Board of Public Utilities (NJBPUB) for advancing this critical program and offer the following comments for consideration:

#### Fixed Incentives for Grid Supply Resources

We support awarding fixed incentives for Grid Supply Resources through an annual competitive solicitation process rather than an administratively determined process. This approach ensures that incentives are aligned with market dynamics, fosters a transparent and cost-efficient allocation of funds, and encourages competition among developers to deliver high-performing projects at the lowest cost to ratepayers.

#### Upfront Fixed Incentive for Distributed Resources

SNJDC supports providing an upfront fixed incentive not contingent on up-time metrics for Distributed Resources. This simplifies program administration, reduces uncertainty for developers, and accelerates deployment of smaller-scale storage projects, which are crucial to improving grid resilience and enhancing energy security.

#### Deferral of Performance-Based Incentives

We agree with deferring the implementation of performance-based incentives to allow Electric Distribution Companies sufficient time to develop and administer effectively. This ensures that incentive structures align with grid reliability needs and are designed with input from stakeholders.

#### Refundable Bid Participation Fees

Introducing refundable bid participation fees strikes a reasonable balance between encouraging serious participation and preventing speculative bidding. This approach supports an equitable and competitive process while ensuring that only committed developers participate.

#### Pre-Development Fee for Grid Supply Projects



The introduction of a pre-development fee for Grid Supply Projects is a prudent measure to encourage timely project completion. This mechanism helps minimize delays, ensures resources are allocated to viable projects, and enhances overall program efficiency and accountability.

#### Incentives for Solar-Plus-Storage Projects

We strongly support providing incentives to solar-plus-storage projects ineligible for the Successor Solar Incentive program, alongside incentives for stand-alone storage. This inclusive approach recognizes the value of hybrid systems in advancing New Jersey's renewable energy goals, maximizing the efficiency of solar generation, and reducing strain on the grid during peak demand periods.

Additional considerations:

1. **Stakeholder Engagement:** We encourage NJBPU to continue engaging with stakeholders to refine program details and ensure incentives address regional energy challenges, particularly in underserved areas.
2. **Equity and Access:** Consideration should be given to ensuring program accessibility for smaller developers and community-based projects, which are vital for equitable energy transition efforts.
3. **Scalability:** Incentive structures should allow for scaling as technology costs evolve, ensuring long-term sustainability and program effectiveness.

The Southern New Jersey Development Council remains committed to supporting policies that advance New Jersey's clean energy goals while fostering economic development and grid reliability. We thank NJBPU for its leadership on this issue and welcome continued dialogue to ensure the success of the NJ SIP.

Respectfully Submitted,

A handwritten signature in black ink that reads "Marlene Z. Asselta".

Marlene Z. Asselta  
President, Southern New Jersey Development Council