



Mid-Atlantic Solar & Storage Industries Association

Rutgers Eco-Complex, Suite 208-8

1200 Florence-Columbus Road, Bordentown, NJ 08505 | coordinator@mssia.org

MSSIA Q2 MEETING

**New Jersey Report:
June 22, 2023**

**Lyle Rawlings, P.E.
President**

Topics:

1. Regulation news
2. Legislation news
3. Federal (IRA) news

2. Regulation

TREC Extension Motion for Reconsideration

- The motion has not been taken up by BPU
- Attorney Bill Potter suggests taking the matter to the appellate division, believes there is a strong case to make.
- There are members who have already decided to move forward.

Grid Modernization Proceeding

- Very aggressive and innovative proposed rule, incorporating several of MSSIA's suggestions.
- Utilities reportedly pushing back "fiercely"
- Several working groups will be formed
- Final rule adoption expected to take "a year plus"

Dual Use (agrivoltaics) Program

- Straw proposal expected "soon".

2. Regulation (cont.)

Permanent Community Solar Program

- **Straw proposal incorporates several of MSSIA's suggestions**
- **Will be rolling applications, but if after an initial 2-week period the program is oversubscribed, applications will be ranked by discount offered to subscribers.**
- **5 MW cap per project. No co-location allowed.**
- **18 months to build**
- **Subscribers can be anywhere in utility territory**
- **Rooftop, canopy, contaminated sites, and bodies of water are eligible**
- **Min. 51% LMI subscribers, min. 10% savings**
- **Consolidated billing with 1% fee to utility for billing**
- **Municipal aggregation with "opt-out" coming. 80% LMI will be required. Will not roll out not right away – but no later than Jan. 1 2025.**
- **225 MW allocated in 2024 and 2025, then back to 150 Mw/year**

2. Regulation – Detail of Grid Modernization

Grid Modernization Proceeding

- A proposed new interconnection regulation has been published. It's the first major overhaul of the interconnection process
- Several important advancements:
 - + higher thresholds for interconnection levels
 - + Preliminary applications for cost estimates on a fast track (“PAVE”)
 - + Improved hosting capacity maps
 - + Methods to increase hosting capacity
 - + Introduction of “low hanging fruit” –
 - Reverse flow through substations
 - Inverter reactive power
 - Use of batteries to increase hosting
 - (possibly) predictive ramp-down
- Socialization of the cost of grid modernization to be considered.
- Working groups to be formed by topic

Slide deck from stakeholder meeting posted on NJ Clean Energy website.

2. Legislation

S2978 – New RPS bill:

- Joint solar industry request for amendments sent to Sen. Smith & staff in April. Not getting satisfactory uptake from Sen. Smith or Majority Off. Researcher Joey Gurrentz.
- Rumor that the “out of state” advocates proposing that in-state requirement be raised to 75%- but that still is not enough to drive continuance, let alone growth, of solar
- The bill has multiple issues and problems not only for solar energy, but also for other renewable energy and for environmental progress.

A4328 - New Remote Net Metering bill

- Expands remote net metering substantially
- Broad eligibility for solar on publicly owned or leased land to serve any public loads within utility territory

S3992 – Utility Grid Modernization Plans

- Utilities required to submit plans for grid modernization, with compensation from the general fund

2. Federal (IRA) Inflation Reduction Act – Guidance

Treasury has issued guidance on:

- **Prevailing wage and apprenticeship requirements (November)**
- **Low-income ITC credit adders (last week – further guidance expected)**
- **“Advanced Energy Project” credit (Energy Communities)– includes projects in locations where a coal mine or coal plant has been closed, etc.**
- **Updated energy community guidelines and map**
- **Low-income adders – guidance, and now proposed rule**
- **Domestic Content adder**
- **ITC direct transfer**
- **ITC direct pay for public and non-profits**

2. Federal (IRA) (2 of 2)

Treasury Guidance, Low-income ITC credit adders

Category 1: Located in a Low-Income Community	700 MW
Category 2: Located on Indian Land	200 MW
Category 3: Qualified Low-Income Residential Building Project	200 MW
Category 4: Qualified Low-Income Economic Benefit Project	700 MW

- Applications accepted starting 3Q '23 for Categories 3 and 4, then Cat. 1&2
- Allocations made by lottery, with scoring incl. several factors. No prorating.