



Mid-Atlantic Solar & Storage Industries Association

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MSSIA Q3 MEETING

**New Jersey Report:
October 25, 2023**

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

Topics:

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

2. Regulation – Detail of Grid Modernization

Grid Modernization Proceeding

- BPU asked MSSIA to convene a solar industry work group
- Working group will focus mainly on areas where utilities disagree with the BPU's proposed new rule
- A proposed new interconnection regulation has been published. **It's the first major overhaul of the interconnection process since 2001.**
- 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

2. Regulation

TREC Extension Motion for Reconsideration

- BPU denied the request for reconsideration filed by several parties, which was also filed on behalf of the class of entities who were “similarly situated”
- Several parties that were refused extensions are taking the matter to the appellate division. A settlement conference was held last week, another to be held in November.

Dual Use (agrivoltaics) Program

- Straw proposal expected “very soon”.
- 200 MW over 3 years, possibly extending to 300 MW over 5 years
- Will be a competitive solicitation

2. Legislation

S2978 – New RPS bill:

- **Sen. Smith pushing to move the bill in lame duck**
- **Without a meaningful role for solar energy, we will need to oppose the bill with force.**
- **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

- **Sen. Smith plans to move this bill forward in lame duck**

2. Federal (IRA)

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

3. Federal (IRA) Inflation Reduction Act – Guidance

1. Low-income ITC credit adders –

- The application window opened October 19 for all 4 low-income project types
- The initial window closes on November 18, followed by a lottery to allocate adders to projects.
- Projects that are owned by government and non-profits and are in the lowest-income communities will be picked first, then projects that meet one of those. 50% of the total will be reserved for projects meeting one of the criteria.

3. Federal (IRA) Inflation Reduction Act – Guidance

2. Domestic Content adder

- **Additional guidance expected, likely before the end of the year.**
- **Rumors indicate that Treasury is considering a formula involving calculation of % domestic content on each manufactured item, then those are added up to a “weighted average” total to meet the 40% overall requirement**

4. Other

Intervening in NJ State lawsuit against fossil fuel industry:

- MSSIA board is considering joining a broad coalition seeking intervenor status (not as a party).
- Bill Potter, MSSIA's counsel, putting together the coalition. He and co-counsel will work on contingency (little or no cost to MSSIA).
- MSSIA can contribute expertise and existing analysis. Gives us some say in how any settlement funds are used.

Need to raise Net Metering cap through a bill

- We will hit the existing net metering cap soon, and then utilities can petition BPU to cease offering net metering
- BPU may hold hearings on the issue
- Concern that the net metering rate structure could be altered (lowered).
- Potential opportunity to discuss alternative rate structures that could exist alongside net metering.

4. Other

Current coalition members:

- **UU FaithAction**
- **GreenFaith (a coalition of activists religious groups, Jewish, Islamic etc.),**
- **Environment New Jersey (Doug O'Malley),**
- **League of Women Voters, NJ chapter**

Plus, in process...

- **Sierra Club**
 - **Pinelands Preservation Alliance**
 - **League for Conservation Legislation**
- and several others**

4. Other

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4. Other

Ritter Report from D.C.:

- 1. New Speaker of House Mike Johnson conservative with a capital C, from Louisiana (oil!). Just voted in. House can function again but rocky road ahead.**
- 2. Farm bill still delayed, REAP, New ERA, and PACE from IRA all at risk. Green Capitol organizing multiple coalitions behind scenes to fight any future cuts (in ag bill or appropriations).**
- 3. SHINE Act will provide \$20 mill. in funding to help towns adopt SolarAPP+ (automated, instant permitting online)**
- 4. Distributed Renewable Alliance and Distributed Renewable PAC -**