



MSSIA ANNUAL MEETING FEDERAL & NEW JERSEY ISSUES

February 13, 2025

**LYLE RAWLINGS
PRESIDENT, MSSIA**

AGENDA

- **Federal Policy**
- **BPU Grid Modernization Proceeding**
- **BPU Net Metering Reform Proceeding**
- **BPU Storage Incentive Program**
- **Legislation**
 - + Grid Modernization - Funding – S258
 - + Grid Modernization - Low-Hanging Fruit - S2816
 - + 20-Year Time Horizon Fix – S3737

Federal Policy

- Prospects for the ITC and REAP
- Safe Harboring
- Elective Pay and Transferability
- Cooperation between MSSIA and national efforts

BPU Grid Modernization Proceeding

- IDDER Workgroup proceedings ongoing – Andy and Lyle serving on the Workgroup
- Progress is slow, and utilities are pushing back wherever they can
- MSSIA has successfully gotten near-term pilot projects on the table, so that progress can start. BPU is working on releasing an application process for pilots.

BPU Net Metering Reform Proceeding

- First stakeholder meeting was presentation by Board and Consultant. Suggests that BPU direction is to replace Net Metering with a different system
- Lyle and Andy made presentations Stakeholder meeting on Feb. 10.
- MSSIA suggested alternatives where instead of replacing net metering altogether, BPU implement an alternative which, working in parallel to net metering, will open new opportunities for solar developers and offer benefits to utilities. Mass. SMART program was suggested as a model.

BPU Storage Incentive Program

- MSSIA submitted comments in December. In straw poll at last Policy Committee meeting 87% of members who develop storage projects are doing distributed storage (e.g., behind the meter).
- The BPU straw proposal and staff comments indicate that incentives for distributed solar will be delayed at least another year. BPU fear is that the Performance-based Incentives will be complex and take a long time to develop. There is also a budget cap that will hold down the size of the program.
- MSSIA submitted supplemental analysis showing how the performance-based incentives for distributed storage can be **extremely simple**; how distributed storage can **solve the budget problem**; how distributed storage can be **deployed much faster and cheaper**, can help **reduce power prices for everyone**, can provide **resiliency**, preserve **federal ITC funds**, and much more.

Legislation

- + Grid Modernization - Funding – S258 –
Surprise new version sent to us for comment – it's a whole new bill!
- + Grid Modernization - Low-Hanging Fruit - S2816
- + 20-Year Time Horizon Fix – S3737