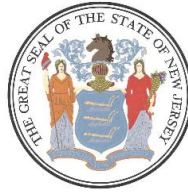


State of New Jersey  
Governor Philip D. Murphy  
Lt. Governor Tahesha L. Way



Christine Guhl-Sadovy  
President

Dr. Zenon Christodoulou  
Marian Abdou  
Michael Bange  
Commissioners

Board of Public Utilities



[www.nj.gov/bpu/](http://www.nj.gov/bpu/)

## NOTICE<sup>1</sup>

### IN THE MATTER OF THE COMMUNITY SOLAR ENERGY PROGRAM

Docket No. [QO22030153](#)

Staff of the New Jersey Board of Public Utilities (“NJBP” or “Board”) hereby gives notice of a stakeholder meeting to solicit input from the public and interested parties on the Community Solar Energy Program (“CSEP”) as part of Board Staff’s (“Staff”) one-year checkup proceeding.

As part of the one-year checkup, Staff is soliciting stakeholder feedback on whether to adjust the incentive levels or capacity blocks in the CSEP within the Administratively Determined Incentive (“ADI”) Program. Staff also seeks comments on how the market has adjusted to the Successor Solar Incentive (“SuSI”) Program following the shift from the Community Solar Pilot Program and Transition Incentive Program and expectations for longer-term market prospects to refresh the ADI incentive levels for CSEP projects. Staff further seeks feedback on the performance of the CSEP, including consideration of the capacity blocks, New Jersey’s performance in meeting its solar targets, and how registration requirements are affecting project participation.

Based on its analysis of input received at this meeting, and other factors, Staff may recommend changes to the incentive levels, block sizes, or other program rules. The purpose of this stakeholder notice is to establish a process to hear from stakeholders on these items and others that stakeholders believe should be considered.

#### STAKEHOLDER MEETING

**DATE:** Tuesday, December 3, 2024

**TIME:** 3 pm – 4:30 pm

**REGISTRATION:** Zoom Virtual Webinar

[https://us06web.zoom.us/webinar/register/WN\\_HQgfqeQWQkxm7bcijjMgDQ](https://us06web.zoom.us/webinar/register/WN_HQgfqeQWQkxm7bcijjMgDQ)

This public meeting will be conducted via Zoom. Those who wish to attend must register for the public meeting using the link provided above. Stakeholders and members of the public are invited to participate and may express their views. To encourage full participation, please submit any requests for needed accommodations, such as interpreters and/or listening assistance, 48 hours prior to the above meeting to the Board Secretary at [board.secretary@bpu.nj.gov](mailto:board.secretary@bpu.nj.gov). If you want to request a speaking opportunity, please register at least 48 hours before the start of the meeting and indicate your request to speak during the online registration process. After registering, you will receive a confirmation email containing instructions detailing how to join the meeting and check that your device meets the system requirements in advance of the meeting.

Questions on the process for this stakeholder meeting may be directed to [communitysolar@njcleanenergy.com](mailto:communitysolar@njcleanenergy.com).

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<sup>1</sup> Not a paid legal advertisement.

**The deadline for comments on this matter is 5 p.m. on December 16, 2024.** All public comments should be filed under BPU Docket No. QO22030153. Please submit comments directly to the specified docket using the “Post Comments” button on the Board’s [Public Document Search](#) tool. Comments are considered “public documents” for purposes of the State’s Open Public Records Act and any confidential information should be submitted in accordance with the procedures set forth at N.J.A.C. 14:1-12.3. Written comments may also be submitted to:

**Sherri L. Golden**

Secretary of the Board  
44 South Clinton Ave., 1<sup>st</sup> Floor  
PO Box 350  
Trenton, NJ 08625-0350  
Phone: 609-292-1599  
Email: [board.secretary@bpu.nj.gov](mailto:board.secretary@bpu.nj.gov)

**Background**

On July 9, 2021, Governor Murphy signed the Solar Act of 2021 (“Solar Act”), L. 2021, c. 169, into law. The Solar Act directed the Board to develop and launch the SuSI Program, among other requirements. On July 28, 2021, the Board announced the closure of the Transition Incentive (“TI”) Program and the opening of the SuSI Program.<sup>2</sup> Within the SuSI program, the Board created the ADI Program to provide an incentive to develop solar in several market segments primarily serving net metered customer-generators. The TI Program closed on August 27, 2021, and the ADI Program registration portal opened on August 28, 2021.

The SuSI Program Order established the framework for the ADI Program, initial incentive levels by market segment, and megawatt block capacity allocations by market segment, as well as the process for incentive level adjustment and future allocations of capacity to the market segments. The SuSI Program Order further defined the methodology and process by which the Board will implement the Cost Cap on New Jersey Class I renewable energy requirements. The results of the annual Cost Cap calculation are designed to inform the Board’s decisions in allocating capacity to market segments for the coming Energy Year to ensure compliance with the next year’s Cost Cap.

The SuSI Program Order directed Staff to conduct a one-year checkup on incentive levels after the first twelve months of experience with the new program. The one-year checkup provided an opportunity to examine whether the ADI Program and its market segments were under- or over-performing the targets established by the Board and whether adjustments should be made.

Board Staff hosted a one-year checkup stakeholder meeting on December 2, 2022, and accepted written comments on the ADI Program. Through the review process, Staff considered market response, rate of registrations into the program, total megawatts (“MW”) registered into the program, and other factors indicative of the overall health of the solar industry. By Order dated March 6, 2023, the Board adjusted the incentive levels in the net-metered residential and net-metered non-residential market segments of the ADI Program.<sup>3</sup> The review and adjustments did not address the community solar market segments of the ADI Program.

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<sup>2</sup> In re a New Jersey Solar Transition Pursuant to P.L. 2018, C. 17, BPU Docket No. QO19010068, Order dated July 28, 2021 (“SuSI Program Order”).

<sup>3</sup> In re a Successor Solar Incentive Program Pursuant to P.L. 2021, C. 169, BPU Docket No. QO20020184, Order dated March 6, 2023 (“ADI One-Year Review Order”).

By Order dated August 16, 2023, pursuant to the Clean Energy Act of 2018, L. 2018, c. 17, and the Solar Act of 2021, the Board established a new permanent Community Solar Energy Program (“CSEP”).<sup>4</sup> The CSEP replaced the Community Solar Pilot Program which closed to new applications on February 5, 2021. Registration for the CSEP opened on November 15, 2023.

As the CSEP had not yet opened at the time of the original one-year review of the ADI Program, it was not included in the review and the incentive levels remained the same. In the CSEP Order, the Board eliminated the ADI Program market segment for community solar projects serving customers that are not low- to moderate-income (“LMI”) and required all projects be LMI projects, receiving the previously set incentive for the Community Solar LMI market segment.

The Board opened the first CSEP capacity allocation of 225 MW in November 2023, divided into blocks for each of the state’s electric distribution companies (“EDCs”) proportional to their total electric sales. The Public Service Electric and Gas Company block received more applications than the capacity available during the initial registration period of the first 10 business days after opening, so projects were approved in order of the guaranteed bill credit discount offered to subscribers. The Jersey Central Power & Light Company, Atlantic City Electric, and Rockland Electric Company blocks subsequently reached capacity and, as of April 19, 2024, the subscribed and remaining capacities were as follows:

**Table 1.** EY 2024 CSEP subscription by EDC territory capacity blocks

<b>EDC Territory</b>	<b>MW (dc) Capacity Blocks EY 2024</b>	<b>Capacity Subscribed MW (dc)</b>	<b>Capacity Available MW (dc)</b>
Jersey Central Power & Light (JCP&L)	65 MW	65.14	CLOSED
Public Service Electric & Gas (PSE&G)	129 MW	131	CLOSED
Atlantic City Electric (ACE)	27 MW	31.4	CLOSED
Rockland & Orange (RECO)	4 MW	4	CLOSED

On January 24, 2024, Governor Murphy signed L. 2023, c. 200 (“Community Solar Expansion Act”), into law, further increasing the goals of the community solar program by directing the Board to “establish a goal for the conditional registration of at least 225 MW of solar energy projects prior to June 1, 2024, with an additional 275 MW prior to June 1, 2024 if qualified applications exceed 225 MW, an additional 250 MW prior to June 1, 2025 if qualified applications exceed 500 MW, and at least an additional 150 MW per year thereafter, taking into account any changes to the SREC program.”<sup>5</sup> The Community Solar Expansion Act also required the Board to establish standards to enforce compliance with the Program’s rules and to allow low- to moderate-income customers to self-attest to their eligibility. In addition, the Community Solar Expansion Act allowed utilities to disclose certain customer information to local governments to facilitate automatic enrollment in a community solar project.<sup>6</sup>

<sup>4</sup> In re the Community Solar Energy Program, BPU Docket No. QO22030153, Order dated August 16, 2023 (“CSEP Order”).

<sup>5</sup> N.J.S.A. 48:3-87.11(f)(2).

<sup>6</sup> N.J.S.A. 48:3-85(b)(2)(a).

By Order dated April 30, 2024, the Board added a capacity allocation of 275 MW to the CSEP for EY24 for a total of 500 MW.<sup>7</sup> This allocation was subsequently rolled over into EY25 with no additional capacity. The PSE&G and ACE blocks received more applications than the capacity available during the initial registration period of the first 10 business days after opening, so projects were approved in order of the guaranteed bill credit discount offered to subscribers. The JCP&L block subsequently reached capacity, and as of August 30, 2024, the subscribed and remaining capacities were as follows:

**Table 2.** EY 2025 CSEP subscription by EDC territory capacity blocks

EDC Territory	MW (dc) Capacity Blocks EY 2025	Capacity Subscribed MW (dc)	Capacity Available MW (dc)
Jersey Central Power & Light (JCP&L)	144 MW	145.41	CLOSED
Public Service Electric & Gas (PSE&G)	287 MW	288.28	CLOSED
Atlantic City Electric (ACE)	60 MW	60.48	CLOSED
Rockland & Orange (RECO)	9 MW	4.20	4.8

As qualified applications have neared 500 MW, Staff anticipates recommending the Board allocate an additional 250 MW prior to June 1, 2025. Staff may also recommend additional updates based on this proceeding.

**Questions for Stakeholders**

1. What parameters used in the modeling for the ADI Program’s one-year refresh differ between community solar projects and projects in the market segments for small and large net-metered non-residential projects located on rooftop, carport, canopy, and floating solar?
2. What cost adjustments should be considered for the community solar market segment?
3. Are different incentives required for community solar projects located in different EDC territories or with other characteristics?
4. The Inflation Reduction Act increased federal tax credits to 30%, with the possibility for increased incentives for projects using domestic content, projects sited in energy communities, and projects qualifying for the Low-Income Communities Bonus Credit Program. How should these changes be accounted for in modeling incentive requirements for community solar projects?
5. Does the pace of registration submission into the CSEP and subscription of the full capacity allocation support a change in incentive level from the initial value of \$90 per megawatt-hour?
6. How has the Community Engagement and Subscriber Acquisition Plan influenced project development and enrollment of LMI subscribers?
7. How has the interconnection process influenced project registration and advancement to construction?
8. Under existing project development and interconnection processes, how does the project completion deadline of 18 months, or 24 months for projects located on a landfill or contaminated site, with the possibility of a six-month extension affect registration in the CSEP?
9. What other issues should be considered in the one-year program review?

<sup>7</sup> In re the Community Solar Energy Program, BPU Docket No. QO22030153, Order dated April 30, 2024.

Staff looks forward to receiving and reviewing your comments.

*Sherri L. Golden*

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Sherri L. Golden  
Secretary of the Board

Dated: November 21, 2024