

NET METERING AND INTERCONNECTION STAKEHOLDER MEETING
December 15, 2015
Trenton, NJ

Meeting Notes

- **Introduction (John Teague and Scott Hunter, BPU Office of Clean Energy)**

Mr. Teague called the meeting to order at 10:05 pm and asked the participants in the room and those on the phone to introduce themselves. Mr. Hunter read a disclaimer on the purpose of the meeting and the role of Board staff.

- **EDC's Proposal to Address Interconnection Timelines Impacted by Investment Tax Credit Reduction/Dept. of Community Affairs Presentation (Scott Hunter and David Greenhill, DCA)**

Mr. Hunter briefly reviewed the situation regarding the surge in SRP registrations brought about by the impending expiration of the 30% Federal Investment Tax Credit currently scheduled for the end of 2016. He said there will be enormous pressure in Q4 of 2016 on both the EDCs and local code officials to complete inspections necessary to have solar systems receive permission to operate by the tax deadline. A PSE&G representative suggested that installers should order advanced metering equipment, telemetry and communications circuits as early as possible to avoid missing the deadline. He also said that PSE&G will take steps to reduce failure rates, since systems that fail inspection are moved to the back of the queue and could be in danger of missing the deadline. Mr. Hunter said it's imperative to address this issue if high first-time failure rate risks tax credit eligibility.

David Greenhill of the DCA's Office of Codes and Standards said many municipalities have reduced their inspection workforces or downgraded them to part-time positions. He said installers should contact him if they encounter problems with inspectors, but must understand that many municipalities cannot schedule inspections on a moment's notice because of staffing limitations. He said DCA inspectors could potentially fill in for local inspectors if the latter are unavailable.

In response to a question on inspection timelines, Mr. Hunter stressed the importance to installers to ensure that someone is scheduled to be on-site on the inspection date assigned or risk losing their place in the queue. Mr. Greenhill said that as long as the owner or an agent of the owner is on-site for the inspection, the installer does not have to be there too.

- **Update on Implementation of the EDC's "Mixed Generation Proposal for Interconnection with NJ Class I RE" (Scott Hunter and Commenters)**

Mr. Hunter started the discussion noting comments received by Solar City and A.F. Mensah on the proposal issued at the last stakeholders' meeting and gave the commenters an opportunity to summarize their positions.

A representative of Solar City said the proposed protocols would be hugely restrictive for residential installations of solar-plus-storage. She said sufficient protocols are already in place to protect the safety and integrity of the distribution system. She added that existing interconnection review requirements for renewable generation should also apply to mixed generation.

A representative of A.F. Mensah said his firm is already installing an ANSI-rated meter on storage systems and it is not necessary for the EDCs to require the installation of a redundant meter for non-renewable generation. He also said that protocols already in place are sufficient for smaller storage units; and it should not be a requirement to perform a Level 3 interconnection study for a 5 kW system.

Gearoid Foley and Steve Goldenberg, representatives of the NJ Combined Heat and Power/Distributed Generation Coalition – which had not previously submitted written comments – cautioned the Board and participants to keep in mind the larger goals of DG, CHP and energy resiliency as outlined in the Energy Master Plan and not get bogged down in technical details that could severely limit the development of these projects. Mr. Hunter suggested the Coalition put their comments in writing and submit them.

(Note: The written comments referenced above can be viewed in their entirety at http://www.njcleanenergy.com/files/file/public_comments/Protocols%20121515.pdf)

A discussion followed on the impact of net metering on a large industrial customer who had both on-site solar and CHP systems. A PSE&G representative said problems could occur when a customer with an existing solar system sized to their annual consumption now installs a CHP system that reduces that consumption and results in a large amount of solar generation being carried over month-to-month under net metering rules.

In response to a question on what the next steps are, Mr. Hunter said the EDCs are now implementing the existing net metering and interconnection rules and using the protocols to address situations that are not covered by those rules, i.e., issues involving fossil fueled generation. He also reminded participants that the proposed protocols require Level 3 interconnection studies only for those NJ Class I RE plus storage projects participating in PJM's FERC regulated frequency regulation market. Since behind-the-meter projects face severe restrictions on frequency regulation market participations, he said he does not expect there will be many such studies required.

- **EDC Update on the Number of Closed Circuits or those Approaching Closure due to High Penetration (EDCs)**

Representatives of each EDC presented the status of their EDC. PSE&G said they had 18 circuits at capacity; JCP&L said about 1% of their 1,100 distribution circuits are

“constrained”. RECO said it has not closed off any circuits due to high penetration. ACE said there has been no change since the last meeting, with a map posted to their Green Power Connection website indicating five distribution circuits closed to new interconnection applications. A participant praised ACE’s map on closed circuits as excellent. PSE&G and JCP&L advised activity underway to create similar maps for their systems.

- **Hosting Capacity Study: Methods of Increasing Photovoltaic Hosting Capacity With Cost/Benefit Analysis (Steve Steffel, Pepco Holdings / Atlantic City Electric)**

Mr. Steffel gave a presentation, previously distributed to stakeholders through the listserv, on a USDOE-sponsored study conducted by Pepco, Rutgers, EDD, Clean Power Research and the BPU on “Model-Based Integrated High Penetration Renewable Planning and Control Analysis.” The goal of the project was to look at cost-effective ways of increasing solar PV penetration on a distribution circuit without having to rebuild an entire feeder. Among the feeder improvements Mr. Steffel listed were reduced voltage settings, dynamic voltage control, additional capacitors and battery storage. The report will be distributed publicly so that other utilities across the country will be able to benefit from the research.

- **Update of ACE’s Efforts to Maintain Established Timelines for Interconnection and Permission to Operate Rules (Josh Cadoret, Atlantic City Electric)**

Mr. Cadoret said ACE has received 5,766 applications year-to-date, which is an 82% increase over last year. He said ACE is meeting deadlines and seeing an average of 9 to 13 business days for reviewing applications. He urged developers to contact him if they continue to have problems. He said ACE’s billing department has hired five additional people to meet demand. He also noted that ACE is using a new work management system that now has “all the bugs worked out of it.”

- **EDC Update on Implementation of Interconnection Application List Scrub Procedures (EDCs)**

ACE did not have updated numbers but would check on them. PSE&G said they would do a 2015 scrub next month and then start working on 2016. RECO said six letters were sent out this month. JCP&L said letters would be sent out after New Year’s.

- **New Business / Adjournment**

There being no new business, Mr. Teague adjourned the meeting at 1:15 pm.

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