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**STATE OF NEW JERSEY**  
**Board of Public Utilities**  
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## **NOTICE<sup>1</sup>**

Docket No. QO18060646

**Joseph L. Fiordaliso**  
President

Mary-Anna Holden  
Commissioner

Dianne Solomon  
Commissioner

Upendra Chivukula  
Commissioner

Bob Gordon  
Commissioner

### **New Jersey Community Solar Energy Pilot Program**

#### **Consolidated Billing of Subscriber Fees**

#### **Request for Comments and Stakeholder Meeting Notice**

Pursuant to the “Open Public Meetings Act,” N.J.S.A. 10:4-6 et seq., Staff of the New Jersey Board of Public Utilities (“NJBP” or “Board”) and representatives of New Jersey’s four electric distribution companies (EDCs), namely Atlantic City Electric Company, Jersey Central Power & Light Company, Public Service Electric and Gas Company, and Rockland Electric Company, invite all interested parties and members of the public to participate in a virtual Stakeholder Meeting to discuss community solar consolidated billing, particularly in the context of the Community Solar Energy Pilot Program (Pilot Program) and the future permanent Community Solar Program. The Stakeholder Meeting will be jointly held by representatives from NJBP and the EDCs. A description of the meeting and instructions on how to participate are provided below.

#### **Background**

On January 17, 2019, pursuant to the Clean Energy Act of 2018, the Board adopted rules establishing the Pilot Program. The rules were finalized and published in the New Jersey Register on February 19, 2019. The three-year Pilot Program is designed to provide the necessary experience for the development and implementation of a full-scale Community Solar Energy Program. Pursuant to the Clean Energy Act, the Board will launch a subsequent rulemaking for the full-scale Community Solar Energy Program.

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<sup>1</sup>Not a Paid Legal Advertisement

On October 2, 2020, the Board issued an [Order](#) approving the Program Year 2 (PY2) Application Form for the Pilot Program. As part of the same Order, the Board directed the EDCs to work with Board Staff to develop options for implementing consolidated billing for community solar, where the customer pays both their normal electric utility charges and community solar subscriber fees through a single bill. As part of the process, the Board directed the EDCs and Staff to include consideration of what is currently done by EDC affiliates in other states. The EDCs were directed to present actionable recommendations for the implementation of consolidated billing in a report to the Board no later than February 26, 2021. The EDCs have requested an extension of the report's due date to provide sufficient time for stakeholder engagement and the development of a consolidated billing option for community solar.

### **Stakeholder Meeting**

In order to inform the development of this report, the EDCs seek stakeholder feedback regarding the questions listed below. A virtual stakeholder meeting will be held on:

**Date:** Thursday March 25, 2021

**Time:** Beginning at 1:00 p.m.

Please register for the meeting no later than **Wednesday, March 24 at 5:00 p.m.** via the link below. If you wish to speak, please identify yourself as a speaker when registering. Speakers that register will be called first.

**Registration Link:** <https://attendee.gotowebinar.com/register/6625304539308643852>

After registering, you will receive a confirmation email containing information about joining the webinar and checking your system requirements. We encourage all webinar attendees to check their systems in advance of the meeting to ensure a smooth connection.

### **Written Comments**

Written comments are also encouraged and must be submitted electronically either:

1. To Aida Camacho at [board.secretary@bpu.nj.gov](mailto:board.secretary@bpu.nj.gov); or
2. Through the Board's External Access Portal upon obtaining a MyNewJersey Portal ID. Once you establish a MyNewJersey account, an authorization code is required which you can request by emailing the NJBPU's IT Helpdesk at [BPUITHELPDESK@bpu.nj.gov](mailto:BPUITHELPDESK@bpu.nj.gov). If you have questions about the e-Filing portal, please consult NJBPU's e-Filing [FAQs](#).

Comments must be in either Word or PDF format and should include in the subject line "Comments regarding Docket No. QO18060646, Community Solar Consolidated Billing of Subscriber Fees," along with the last name of the author and the name of their company or organization.

All comments are due by **5:00 p.m. on Friday April 9, 2021.**

Please note that these comments are considered “public documents” for purposes of the State’s Open Public Records Act. Commenters may identify information that they seek to keep confidential by submitting them in accordance with the confidentiality procedures set forth in N.J.A.C. 14:1-12.3.

### **Stakeholder Questions**

**Question 1:** In New Jersey, customers who purchase their electricity supply from a Third Party Supplier (TPS) are typically billed by their EDC. Known as Utility Consolidated Billing, the customer receives a single bill that includes supply charges and related taxes from its TPS and delivery charges and related taxes and charges from its utility. Occasionally, in NJ and in other jurisdictions, dual billing is employed where a customer receives a bill from the customer’s utility company that includes only the utility’s charges and a separate bill from the customer’s TPS that includes only the TPS charges. In other jurisdictions, the TPS sends the utility bill to the customer, which contains all of the utility’s relevant charges. This billing methodology is sometimes called TPS Consolidated Billing.

What lessons can be drawn from consolidated billing for TPS customers with respect to its potential application to community solar? What are the advantages or disadvantages of Utility Consolidated Billing, TPS Consolidated Billing and dual billing as they apply to community solar?

**Question 2:** Do you recommend implementation of some form of consolidated billing for community solar projects? If so, do you recommend Utility Consolidated Billing, or third party provision of consolidated billing for community solar subscriber fees (Subscriber Organization Consolidated Billing)? Please consider this question from the perspective of billing implementation and administration, community solar project financing, and subscriber (customer) protection.

**Question 3:** Please describe in detail how your proposed method of consolidated billing would work and the benefits you believe would be achieved by the use of consolidated billing for community solar. If you are or represent a community solar developer or subscriber organization, please speak specifically to your experience. Please address all related issues, including the following:

- Would the bill be sent by the utility (Utility Consolidated Billing) or the subscriber organization (Subscriber Organization Consolidated Billing)?
- How would your proposal address customer nonpayment of bills, partial payment of bills, and late payment of bills? In cases of partial payment of bills, which portion of the bill should the payment be allocated towards?
- Should customers be dropped from consolidated billing for late payments?
- Discuss any purchase of receivables issues.
- Discuss any issues relating to consumer credit.
- Should there be a fee using consolidated billing and, if yes, what should it be?
- Discuss any consumer protection implications of utilizing consolidated billing for community solar, including data privacy and data protection.
- How would customer specific data be exchanged?

Alternatively, please address why you and/or your organization prefer dual billing.

**Question 4:** If you are or represent a community solar developer or subscriber organization, please describe in detail the terms of the agreement between the subscriber and the subscriber organization. In particular, please explain the following:

- What are the fees and contract terms for subscribers?
- Are the fees and contract terms consistent among all subscribers? Does it differ by customer class?
- Do subscriber organizations intend to offer guaranteed savings to the subscriber?
- Do subscriber fees vary each month?

**Question 5:** Do any subscriber organizations currently use consolidated billing for community solar subscriber fees in other jurisdictions? If so, please identify the jurisdictions and explain the design of the billing framework, being sure to address the issues identified in Question 2 and 3 above.

**Question 6:** Are subscriber organizations paying an administrative fee to EDCs for the use of consolidated billing of subscriber fees in other jurisdictions? If so, how is it structured? If not, how does the EDC recover those costs? Please provide your recommended method of cost recovery.

**Question 7:** Should consolidated billing of community solar subscriber fees only be available to projects that provide a guaranteed monthly savings to subscribers? If not, would the provider of consolidated billing be expected to charge subscribers for their community solar participation resulting in an amount due greater than the amount due for electric service? Should this result be permitted for low- to moderate-income (LMI) customers?

**Question 8:** Please provide comments on the following framework for utility consolidated billing of subscriber fees, which is currently being implemented in New York:

- a. Utility consolidated billing of subscriber fees is optional for community solar projects. If a project chooses utility consolidated billing of subscriber fees, all subscribers enrolled in that project are billed via utility consolidated billing (with the exception of one anchor subscriber per project).
- b. In order to participate in utility consolidated billing, all subscribers enrolled in the project must receive a percentage of their original community solar credit on their bills each month. Currently, this minimum percentage is five percent (5%) in New York.
- c. The subscriber fee is a percentage of the subscriber's original community solar credit each month. The dollar amount of the subscriber fee varies each month based upon the underlying community solar credit.
  - Example: The subscriber fee is 90% of a customer's community solar credit. On the monthly bill, the customer receives 10% of their credit. The remaining 90% of the credit is remitted by the EDC to the subscriber organization less the administrative fee retained by the EDC.
- d. At least 60 days prior to operating under a consolidated billing framework, the community solar project owner must provide the EDC with the percentage of the subscriber community solar credits that is available to be applied to the subscribers' bills.
- e. The same percentage must be applied to all subscribers for the same project (with the exception of an anchor subscriber, if applicable, that will receive its entire community solar credit on its utility bill and is billed by the community solar project owner for subscription fees). The percentage can change no more frequently than every six (6) months.

- f. Subscriber organizations must agree to use the EDC's communication tool for sharing subscriber percentage information.
- g. The EDC retains a portion of the subscriber fee to compensate for their implementation and administrative costs associated with utility consolidated billing. This results in the Subscriber Fee percentage in item "c" above being reduced.
- h. The EDC receives timely recovery of subscriber credits through a surcharge or similar mechanism.

**Question 9:** If you disagree with any portion of the framework in Question 8, please describe in detail the framework you would support (or refer to your response to Question 3, as relevant). Include specific examples from other jurisdictions, if possible.

**Question 10:** In the case of Utility Consolidated Billing, if you are a community solar subscription organization, should you opt to participate in Utility Consolidated Billing would you maintain back-up billing procedures to bill customers who fail to pay the EDC for their community solar subscription? What other options would you suggest to address the risk of non-payment by customers?

**Question 11:** What are the potential challenges to implement consolidated billing for community solar? How can these challenges be addressed?

**Question 12:** If Utility Consolidated Billing were available, how would subscriber billing inquiries be handled? Would subscriber inquiries regarding subscriber fees and/or community solar credits be handled by the subscribing entity or the developer, or would the utility be required to take on that role?

**Question 13:** If Utility Consolidated Billing were available, how would subscriber billing information be provided to the utility?



Aida Camacho-Welch  
Board Secretary

Dated: March 11, 2021