Calendar Reference: See Summary below for explanation of exception to calendar requirement.

Proposal Number: PRN 2025-070.

Submit written comments by September 5, 2025, to:

Howard Pine, Acting Executive Director State Board of Veterinary Medical Examiners PO Box 45020

Newark, NJ 07101

or electronically at: <u>http://www.njconsumeraffairs.gov/Proposals/Pages/default.aspx</u>

The agency proposal follows:

Summary

The Board of Veterinary Medical Examiners (Board) has encountered instances where patient records kept by licensees are illegible. While the Board is able to request that licensees provide transcripts of illegible records, it is concerned that clients who own veterinary patients, or other treating veterinarians, may not be able to read such records. The Board has similar concerns when records are kept in a language other than English. To address these concerns, the Board proposes to amend N.J.A.C. 13:44-4.9 to require that licensees that provide clients with transcripts or translations of records that cannot be read, either because they are illegible or in a language other than English, provide legible transcriptions or translations. The proposed amendment requires licensees to provide transcripts at no cost to clients.

The Board has provided a 60-day comment period on this notice of proposal. Therefore, this notice is excepted from the rulemaking calendar requirement, pursuant to N.J.A.C. 1:30-3.3(a)5.

Social Impact

The Board believes that the proposed amendments will benefit clients who own veterinary patients as they will be able to obtain patient records that they can more readily understand.

Economic Impact

The proposed amendment will impose costs on licensees who maintain veterinary patient records that cannot be read because they are illegible or kept in a language other than English. Such licensees will incur the costs of transcribing or translating patient records.

Federal Standards Statement

A Federal standards analysis is not required because there are no Federal laws or standards applicable to the proposed amendments.

Jobs Impact

The Board does not believe that the proposed amendment will increase or decrease the number of jobs in New Jersey.

Agriculture Industry Impact

The Board does not believe that the proposed amendment will have any impact on the agriculture industry.

Regulatory Flexibility Analysis

Any licensee who qualifies as a "business which is resident in this State, independently owned and operated and not dominant in its field, and which employs fewer than 100 full-time employees" constitutes a "small business" within the meaning of the Regulatory Flexibility Act, N.J.S.A. 52:14B-16 et seq. (RFA). In addition, licensees may be employed by a "small business" within the meaning of the RFA. To the extent a licensee qualifies as a "small business" pursuant to the RFA, the following analysis applies pursuant to N.J.S.A. 52:14B-19.

The costs imposed by the proposed amendment on small businesses are the same as the costs imposed on all businesses, as discussed in the Economic Impact. The Board does not believe that licensees will need to employ any professional services to comply with the proposed amendment. The proposed amendment does not impose any recordkeeping or reporting requirements, but does impose compliance requirements, as discussed in the Summary.

The compliance requirements in the proposed amendment will protect consumers by ensuring that clients will be able to obtain veterinary patient records that can be read. Given this, the Board believes that the proposed amendment must be applied uniformly to all licensees regardless of the size of a business.

Housing Affordability Impact Analysis

The proposed amendment will have an insignificant impact on the affordability of housing in New Jersey and there is an extreme unlikelihood that the proposed amendment would evoke a change in the average costs associated with housing because the proposed amendment concerns veterinary patient records.

Smart Growth Development Impact Analysis

The proposed amendment will have an insignificant impact on smart growth and there is an extreme unlikelihood that the proposed amendment would evoke a change in housing production in Planning Areas 1 or 2, or within designated centers, pursuant to the State Development and Redevelopment Plan in New Jersey because the proposed amendment concerns veterinary patient records.

Racial and Ethnic Community Criminal Justice and Public Safety Impact

The Board has evaluated this rulemaking and determined that it will not have an impact on pretrial detention, sentencing, probation, or parole policies concerning adults and juveniles in the State. Accordingly, no further analysis is required.

Full text of the proposal follows (additions indicated in boldface thus):

SUBCHAPTER 4. GENERAL RULES OF PRACTICE

13:44-4.9 Patient records

(a)-(f) (No change.)

(g) If the client or a subsequent treating veterinarian is unable to read the treatment record, either because it is illegible or prepared in a language other than English, the licensee shall provide a transcription or translation at no cost to the client.

Recodify existing (g)-(i) as (h)-(j) (No change in text.)

PUBLIC UTILITIES

(a)

BOARD OF PUBLIC UTILITIES

Renewable Energy and Energy Efficiency Notice of Proposed Substantial Changes Upon Adoption to Proposed Amendments and New Rules

Proposed Changes: N.J.A.C. 14:8-5.1, 5.2, 5.3, 5.4, 5.5, 5.6, 5.7, 5.8, 5.11, and 5.13

Proposed: June 3, 2024, at 56 N.J.R. 993(a).

Authorized By: New Jersey Board of Public Utilities, Christine Guhl-Sadovy, President, Dr. Zenon Christodoulou, Ph.D., and Michael Bange, Commissioners.

Authority: N.J.S.A. 48:2-13 and 48:3-87.

BPU Docket Number: QO21010085.

The deadline for comments on this notice of proposed substantial changes upon adoption is 5:00 P.M. on September 5, 2025. Please submit comments directly by using the Board of Public Utilities' (Board) Public Document Search tool, search for the specific docket listed above and post by utilizing the "Post Comments" button. Written comments may also be submitted. Please include subject matter and docket number and submit to:

Sherri L. Lewis Secretary of the Board New Jersey Board of Public Utilities 44 South Clinton Ave., 1st Floor PO Box 350 Trenton, NJ 08625-0350 Attn: BPU Docket Number: QO21010085 Email: <u>board.secretary@bpu.nj.gov</u> Phone: 609-292-1599 Take notice that the Board proposed amendments to N.J.A.C. 14:8 on June 3, 2024, at 56 N.J.R. 993(a), to update the current requirements for interconnecting Distributed Energy Resources (DERs) to the electric grid belonging to New Jersey's four electric distribution companies (EDCs). The public comment period closed August 2, 2024.

The Board is proposing substantial changes to the amendments and new rules in response to comments received from: Atlantic City Electric Company (ACE); Coalition for Community Solar Access (CCSA); Environmental Defense Fund (EDF); Interstate Renewable Energy Council (IREC); Jersey Central Power & Light Company (JCP&L); NAIOP New Jersey the Commercial Real Estate Association (NAIOP); New Jersey Division of Rate Counsel (DRC); New Jersey Utilities Association (NJUA); Piq Energy; Powerflex Inc. (Powerflex); Public Service Electric and Gas Company (PSE&G); Rockland Electric Company (RECO); and Solar Landscape. A summary of the comments that prompted the changes, and the agency response to those, is provided below. This notice of proposed substantial changes upon adoption is published pursuant to N.J.S.A. 52:14B-4.10.

Summary of Public Comments and Agency Responses:

Comments on the original proposal were from: Atlantic City Electric Company (ACE); Coalition for Community Solar Access (CCSA); Environmental Defense Fund (EDF); Interstate Renewable Energy Council (IREC); Jersey Central Power & Light Company (JCP&L); NAIOP New Jersey the Commercial Real Estate Association (NAIOP); New Jersey Division of Rate Counsel (DRC); New Jersey Utilities Association (NJUA); Piq Energy; Powerflex Inc. (Powerflex); Public Service Electric and Gas Company (PSE&G); Robert Erickson; Rockland Electric Company (RECO); Solar Landscape; and Sunnova Energy International.

SUBCHAPTER 4. NET METERING FOR CLASS I RENEWABLE ENERGY SYSTEMS

N.J.A.C. 14:8-4.2 Interconnection Definitions

1. COMMENT: The commenter states that the definition of "customergenerator" can be interpreted as excluding community solar projects that do not generate electricity on the customer's side of the meter. The definition should be revised to explicitly include community solar projects. (CCSA)

2. COMMENT: The commenter recommends that the Board clarify the proposed definition of "customer-generator" to include community solar projects. (Solar Landscape)

RESPONSE TO COMMENTS 1 AND 2: The Board appreciates the commenters pointing out this exclusion, as it was not the intent of the rulemaking. The Board encourages the commenters to refer to the new definitions of "customer-generator" and "customer-generator facility," which the Board is proposing to add to N.J.A.C. 14:8-5.1, which include systems of all sizes, located either in front of or behind the meter.

SUBCHAPTER 5. INTERCONNECTION OF CLASS I RENEWABLE ENERGY SYSTEMS

N.J.A.C. 14:8-5.1 Interconnection Definitions

3. COMMENT: The commenter points out that the current definition of "distributed energy resource" or "DER" has inconsistencies with the Institute of Electrical and Electronics Engineers (IEEE) 1547-2018 standard. The definition reads "connected to the public utility's area electric power system (EPS)" and references to "controllable load" should be removed. (JCP&L)

4. COMMENT: The commenter suggests using an improved definition of DER that is more inclusive with respect to the types of systems that should be able to apply pursuant to the rules. The definition of DER that is proposed in the rules currently is limited to "inverter-based" systems, which leaves out some generating classes that may need interconnection access. (IREC)

RESPONSE TO COMMENTS 3 AND 4: The Board appreciates the commenters bringing attention to this insufficient definition and is proposing to amend the definition of DER. This proposed definition utilizes language suggested by the commenter; is no longer exclusive to inverter-based resources; and is absent of the phrases "connected to the public utility's area electric power system (EPS)" and "controllable load."

The Board believes that the proposed amendments to the definition of DER will better ensure compliance with the IEEE Standard 1547 by including generation sources that are not inverter-based, more explicitly listing examples of DERs, such as electric generators and energy storage systems, and specifying that the equipment should be safely interconnected/run in parallel with the electric distribution system.

5. COMMENT: The commenter proposes a number of additional definitions to include concepts that they deem vital to control energy export, are necessary to better review DERs that can control their export to the grid, that reflect current terminology used in industry standards, such as IEEE Standard 1547, and that clarify limitations that exist in terms, as proposed. The commenter proposes the rule be amended to include each of the following: "export capacity" means the amount of power that can be transferred from the DER to the distribution system and is either the nameplate rating, or a lower amount, if limited, using an acceptable means; "nameplate rating" means the sum total of maximum rated power output of all of a DER's constituent generating units and/or energy storage system (ESS) as identified on the manufacturer nameplate, regardless of whether it is limited by any approved means; and "inadvertent export" means the unscheduled export of active power from a DER, exceeding a specified magnitude and for a limited duration, generally due to fluctuations in load-following behavior. The commenter also recommends the addition of the definitions "reference point of

also recommends the addition of the definitions "reference point of applicability" or "RPA" and "relevant minimum load" to describe the location for which performance requirements apply and the lowest measured circuit/substation load coincident with the customer-generator's production, respectively. (IREC)

RESPONSE: The Board appreciates the commenter's thorough descriptions of suggested new terms and is, thus, proposing to amend N.J.A.C. 14:8-5.1 to include the terms "export capacity," "nameplate rating' or 'nameplate capacity," "inadvertent export," "reference point of applicability," and "relevant minimum load" because of the specificity and clarification they add to N.J.A.C. 14:8-5. The Board has utilized the commenter's proposed definitions for these terms with the following minor changes: grammatical changes within the definition of "relevant minimum load"; and the addition of the term "customer-generator facility" within the commenter's proposed definitions of "export capacity," "inadvertent export," "nameplate rating' or 'nameplate capacity," "reference point of applicability," and "relevant minimum load" to ensure consistency within N.J.A.C. 14:8-5.

N.J.A.C. 14:8-5.2 General Interconnection Provisions

6. COMMENT: The commenter suggests that the terms "nameplate capacity" and "export capacity" should be applied to the screens and study process within the interconnection process. Specifically, the commenter states that each of the interconnection screens should identify whether the potential impact it is screening for should be evaluated using export capacity, nameplate rating, or neither. The proposed rules do not clearly delineate when export capacity, nameplate rating, or neither should be used in discrete segments of the review process. (IREC)

RESPONSE: The Board is proposing to adopt the commenter's suggestion to use more specificity when describing capacity as either "nameplate capacity" or "export capacity" and differentiating between the two terms. This will add necessary clarity to descriptions of necessary screens for customer-generator facilities.

7. COMMENT: The commenter states that the interconnection rules should specify that, using acceptable means, the export amount selected by the applicant will determine the export capacity of the project to be used by the EDCs in the review process. The commenter's recommendation includes a new subsection that identifies accepted export control means and delineates the criteria for their application. The commenter states that the Board should recognize the use of all of these means, which have been incorporated into interconnection procedures by numerous states, including Oregon, New Mexico, and Illinois. The consequence of not doing so is that interconnection applicants will not have clear visibility before they apply on what system design is acceptable, and there will be the need for more back and forth with the utility than is necessary. In addition, EDCs may seek to add additional requirements or not allow the use of means that are widely accepted, all

of which can lead to costly disputes that are preventable with the right set of interconnection rules. (IREC)

RESPONSE: The Board appreciates the commenter's suggestions with respect to accepted export controls and agrees with the commenter's reasoning and explanation as to why these changes are desirable. The Board is, therefore, proposing to incorporate the commenter's recommended changes as new N.J.A.C. 14:8-5.2(l). In addition, the Board is proposing to add the following new definitions to N.J.A.C. 14:8-5.1 to add further specificity and clarity to the commenter's suggestions: "directional power protective function" and "certified power control systems."

8. COMMENT: The commenter objects to N.J.A.C. 14:8-5.2(m), which mandates that the cost of "establishing, operating and maintaining" the Common Interconnection Application Process (CIAP) portal will be imposed upon ratepayers. They state that the Board may not abdicate its duty to review utility investments and may not delegate to the EDCs, or to private investors, the Board's authority to determine which investments may be included in the EDC's rate base. The commenter states that the proposed language is "inconsistent with the stated purpose of the Infrastructure Investment Program rules" because they were "never intended to subsidize DER adoption." Imposing the CIAP portal costs entirely upon ratepayers would "represent an additional subsidy paid by ratepayers to investors in DER projects." They recommend that the costs (which are not included) of the CIAP and its portal/software should be recovered through the fees charged to the applicants. With respect to N.J.A.C. 14:8-5.2(m)3 (recodified in this rulemaking as paragraph (n)3), specifically, the commenter does not support this change as written, as there are no procedural requirements for stakeholder input on software selection or implementation. The commenter recommends promulgating applicable standards by rule to comply with principles governing ratesetting and administrative law. (DRC)

RESPONSE: The Board is proposing to amend the language in this subsection so that the vast majority of the costs of "establishing, operating and maintaining" the CIAP portal will not be imposed on ratepayers. The Board now proposes to require EDCs to recover these costs through additional application fees, paid for by developers and other interconnection applicants over a period of five years. The Board is proposing this change in order to protect New Jersey ratepayers from paying additional subsidies for the integration of DER into the electric grid. The sole proposed exception to this requirement is to allow EDCs to recover no more than five percent of CIAP implementation costs from ratepayers in the event of a slight under-recovery, which the Board proposes to balance with a requirement that any similar over-recovery be credited as a rate reduction to ratepayers. The reason for this proposed exception is to accommodate the practical reality that it is unlikely that recovered application fees will precisely equal 100 percent of CIAP implementation costs. As the Board is proposing to change recodified N.J.A.C. 14:8-5.2(n), such that the EDCs shall, at most, only recover an exceedingly small fraction of the costs of the CIAP portal from ratepayers, the Board does not deem it necessary for stakeholders to have input on the software selection. This will add unnecessary delay to the interconnection reformation process. The Board is proposing new N.J.A.C. 14:8-5.7(f) to provide a mechanism for EDCs to adjust the pre-application and evaluation process (PAVE) fees in order to ensure cost recovery for implementation of the CIAP, in accordance with proposed recodified N.J.A.C. 14:8-5.2(n). The Board is also proposing new N.J.A.C. 14:8-5.13 to describe the necessary functional requirements of the CIAP in further detail, which stakeholders may comment on during this notice process. The intent of outlining the core functional requirements is to prevent an EDC from gold-plating the necessary software infrastructure investments while ensuring that all four EDCs have consistent customer application processes

9. COMMENT: The commenter objects to the use of the term "solar permitting application software" and states that such software cannot be incorporated into the EDCs' software because incorporation raises cyber security issues. (RECO)

RESPONSE: The Board appreciates the need for cyber security for all data collection, exchange, and management platforms and is proposing to remove the regulation relevant to this comment at N.J.A.C. 14:8-5.2(m)3.

10. COMMENT: The commenter states that the term "thermometer bar" at proposed N.J.A.C. 14:8-5.2(m)2 is unclear. Instead, this rulemaking should provide for "a visual milestone bar." (RECO)

RESPONSE: The Board agrees with the commenter's recommendation and is proposing to remove the specific language referred to by the commenter at N.J.A.C. 14:8-5.2(m)2 and incorporate the wording change suggestion at N.J.A.C. 14:8-5.13, in order to provide further clarity on CIAP requirements.

11. COMMENT: With respect to N.J.A.C. 14:8-5.2(m), the commenter encourages the Board to ensure the proposed rules allow for maximum flexibility in implementation. The commenter's parent company, FirstEnergy Corp., is already engaged in the development of an online portal system, but this is not the case for all EDCs. The commenter encourages the Board to clarify the use of the term "common" in the proposed rules, as it is not defined, to ensure that EDCs work together to identify areas where commonality would benefit applicants, rather than requiring uniformity. (JCP&L)

RESPONSE: The Board acknowledges that the word "common" is not defined, but disagrees that such a definition is warranted within the rule because it is clear that "common" does not need to be interpreted as "exactly the same" or "identical." The rule specifies that the minimum core functional requirements of the CIAP are listed at new N.J.A.C. 14:8-5.13, with a clear goal of providing consistent customer experiences, regardless of EDC territory. The Board is proposing to amend proposed recodified N.J.A.C. 14:8-5.2(n) to add more clarity to the CIAP portal requirement and provide necessary flexibility in implementation.

12. COMMENT: The commenter requests clarity with respect to programs that implement a 120-day deadline to make a tariff or compliance filing. It is unclear whether the EDCs will be required to fully develop and implement these programs within four months, which is infeasible. The commenter recommends extending this deadline to one year. (PSE&G)

13. COMMENT: The language regarding implementation and related timeframes should be made clearer, such that there is consistent understanding that the EDCs must file a "plan" with the Board, rather than fully implement a plan within 120 days. (JCP&L)

14. COMMENT: The commenter requires more clarity on the imposed 120-day deadlines. As proposed, it is unclear whether the rules require fully developed and implemented tariffs/compliance filings within this time frame or propose plans for such programs. The commenter recommends extending these deadlines to one year. (NJUA)

RESPONSE TO COMMENTS 12, 13, AND 14: Based on the commenters' concerns that 120 days is an insufficient time frame for implementing tariff filings, the Board is proposing to amend the timeline to 240 days. The Board does not deem it necessary to provide an entire year for the EDCs to implement tariffs and compliance filings due to the extensive period of time spent undergoing stakeholdering, specifically with the EDCs, preceding the notice of adoption and the understanding that the EDCs have been well aware of these pending requirements since at least February 2023 (<u>https://njcleanenergy.com/renewable-energy/programs/gridmod</u>).

N.J.A.C. 14:8-5.3 Certification of Customer-Generator Interconnection Equipment

15. COMMENT: The commenter recommends the addition of "beyond that which is required under IEEE-1547-2018 (or latest approved, applicable IEEE standards)" at the end of N.J.A.C. 14:8-5.3(c) and (d) to ensure the language is not interpreted as precluding further review or testing that may be required by IEEE standards. (JCP&L)

RESPONSE: The Board appreciates the commenter's recommendation and has amended N.J.A.C. 14:8-5.3(c) and (d) to incorporate the feedback to ensure compliance with the IEEE Standard 1547.

N.J.A.C. 14:8-5.4 Level 1 Interconnection Review

16. COMMENT: The proposed rules provide that a DER must have a "power rating of 25 [kilowatts] (kW) or less, as measured in alternating current" to qualify for level 1 review. The commenter states that the proposed rules do not specify whether the threshold is determined based on a resource's export capacity or nameplate capacity and, thus, should be amended to clarify that DERs or customer-generator facilities with a

nameplate rating of 50 kW are eligible for level 1 review, as long as their export capacity is no greater than 25 kW. (IREC)

RESPONSE: The Board appreciates the commenter's recommendation and is proposing amendments at N.J.A.C. 14:8-5.4(a) to specify that resources qualify for level 1 interconnection if their export capacity is 25 kW or less and their nameplate capacity is 50 kW or less.

17. COMMENT: The commenter supports the amendments at proposed N.J.A.C. 14:8-5.4(e), which specify that a resource's export capacity is used in the penetration screen, but also recommends that the Board amend the relevant sections to provide more clarity. In addition, the commenter recommends that the Board amend the penetration screen to rely on minimum load, instead of peak load. The commenter further recommends that the transformer rating screen for level 1 (proposed rules N.J.A.C. 14:8-5.4(f)) be amended to clarify that the threshold for this screen (that a resource may not exceed 30 kilovolt-amperes (kVA)) is determined using either export capacity or nameplate rating. This suggestion is due to the transformer rating screen being designed to evaluate the potential for reverse power flow to cause impacts, such that only export past the point of common coupling is relevant. (IREC)

RESPONSE: The Board appreciates the commenter's support with respect to the proposed amendments at N.J.A.C. 14:8-5.4(e). The Board is now proposing to implement the commenter's recommendation at N.J.A.C. 14:8-5.4(e), which refers to "export" rather than "generation" capacity and a circuit's "relevant minimum load" as opposed to the "total annual peak load." The Board is also proposing to implement the commenter's recommendation at N.J.A.C. 14:8-5.4(f) to specify that the threshold should be determined using export capacity.

18. COMMENT: The commenter states that the Board should specify that screens evaluating fault current must use nameplate capacity. Export controls do not typically change the transient behavior of DERs and, thus, the fault current contribution from DER sites is an aggregate contribution of the individual DER nameplates. The screens specified at N.J.A.C. 14:8-5.4(c) should be amended to reference "nameplate capacity" instead of "generation capacity." (IREC)

RESPONSE: The Board appreciates the commenter's feedback and agrees that nameplate rating and manufacturer's inverter specifications should be used for fault current calculations. Therefore, the Board is proposing to amend N.J.A.C. 14:8-5.4(c), so that previous references to "generation capacity" now reference "nameplate capacity" to provide necessary clarity.

19. COMMENT: The commenter states that the Board should amend the proposed rules to require EDCs and applicants to agree to a reference point of applicability (RPA) early in the screening process. The commenter recommends supplementing the interconnection rules with a defined RPA review process for each of the interconnection review levels. The commenter proposes revisions to demonstrate how to integrate the RPA review into the existing level 1 procedure in a relatively seamless manner. (IREC)

RESPONSE: The Board appreciates the commenter's suggestion of the new term and is proposing to amend recodified N.J.A.C. 14:8-5.4(k) to define an RPA review process and timeline for level 1 interconnection applications. The Board believes that the requirement for the customergenerator applicant and their respective EDC to reach a consensus on an appropriate location for the interconnection and interoperability performance requirements to apply is a meaningful addition to the interconnection process.

20. COMMENT: The commenter recommends that the proposed rules define a timeline for customers to remedy deficiencies in their applications once the utility determines it to be incomplete. (IREC)

21. COMMENT: The commenter supports the requirements of timelines for applicants to respond and take certain actions in the proposed rules, though they request that the proposed interconnection rules grant EDCs the authority to remove non-responsive applicants from the queue after a certain length of time. (NJUA)

RESPONSE TO COMMENTS 20 AND 21: The Board appreciates the commenters' suggestion to define more timelines for customers/ interconnection applicants and is proposing to amend the level 1 interconnection review, accordingly. The Board proposes to amend N.J.A.C. 14:8-5.4(i) to include a timeline of 15 business days for applicants to rectify their application after being notified by the EDC that it is incomplete. The Board is also proposing to add N.J.A.C. 14:8-5.4(q)3 to designate a timeline of 15 business days for applicants to communicate to the EDCs how they would like to proceed at the end of the level 1 interconnection process.

N.J.A.C. 14:8-5.5 Level 2 Interconnection Review

22. COMMENT: The commenter states that the Board should amend the proposed rules to require the EDCs and applicants to agree to an RPA early in the screening process. The commenter recommends supplementing the interconnection rules with a defined RPA review process for each of the interconnection review levels. The commenter proposes revisions to demonstrate how to integrate the RPA review into the existing level 2 procedure in a relatively scamless manner. (IREC)

RESPONSE: The Board appreciates the commenter's suggestion and is proposing to add N.J.A.C. 14:8-5.5(o) to define an RPA review process for level 2 interconnection applications. The Board believes that the requirement for the customer-generator applicant and their respective EDC to reach consensus on an appropriate location for the interconnection and interoperability performance requirements to apply is a meaningful addition to the interconnection process.

23. COMMENT: The commenter states that the Board should specify that screens evaluating fault current must use nameplate capacity. Export controls do not typically change the transient behavior of DERs and, thus, the fault current contribution from DER sites is an aggregate contribution of the individual DER nameplates. The screens specified at N.J.A.C. 14.8-5.5(e) should be amended to use nameplate capacity instead of "generation capacity." (IREC)

RESPONSE: The Board appreciates the commenter's feedback and agrees that nameplate rating and manufacturer's inverter specifications should be used for fault current calculations. Therefore, the Board is proposing to amend N.J.A.C. 14.8-5.5(e), so that references to "generation capacity" are updated to "nameplate capacity" or "nameplate rating" instead, to provide necessary clarity.

24. COMMENT: The commenter recommends that the screening criteria specified at N.J.A.C. 14:8-5.5(f) be amended such that the threshold for aggregate generation capacity on a radial line section is based upon the minimum load, rather than the annual peak load, if the information is available. They recommend that N.J.A.C. 14:8-5.5(f) should read, as follows:

"If a customer-generator facility is to be connected to a radial line section, the aggregate generation capacity connected to the electric distribution system by non-EDC sources, including the customer-generator facility, reduced by any export limited capacity achieved through non-exporting technology, shall not exceed the minimum load (or minimum daytime load for solar distributed generation) or when historic minimum load is not available [10] 15 percent (or [15] 25 percent for solar electric generation) of the total circuit annual peak load. For the purposes of this subsection, annual peak load, minimum load, and minimum daytime load shall be based on measurements taken over the 12 months prior to the submittal of the application, measured at the feeder supplying the customergenerator facility." (ACE)

RESPONSE: The Board appreciates the commenter's suggestion that the capacity threshold should be based on minimum load rather than annual peak load and has, thus, added a new definition for "relevant minimum load" to add specificity to minimum load criteria. N.J.A.C. 14:8-5.5(f) is proposed to be amended to refer to "export capacity" and "relevant minimum" rather than "generation capacity" and "annual peak," respectively.

The proposed definition of "relevant minimum load," which has been added at N.J.A.C. 14:8-5.1, specifies that for photovoltaic systems, the relevant minimum load is measured in the daytime, per the commenter's suggestion. Though the proposed changes are not identical to those proposed by the commenter, the Board believes the information presented is effectively the same.

25. COMMENT: The commenter supports the amendments to proposed N.J.A.C. 14:8-5.5(f), which specify that a resource's export capacity shall be used in the penetration screen but also recommends that the Board provide additional clarity to the subsection. The commenter

recommends that the Board amend the penetration screen to rely on minimum load, instead of peak load, and that the transformer rating screen for level 2 (N.J.A.C. 14:8-5.5(i)) be amended to clarify that the threshold for this screen (that a resource may not exceed 30 kVA) is determined using either export capacity or nameplate rating. The threshold suggestion is due to the transformer rating screen being designed to evaluate the potential for reverse power flow to cause impacts, such that only export past the point of common coupling is relevant. (IREC)

RESPONSE: The Board appreciates the commenter's support with respect to proposed amendments at N.J.A.C. 14:8-5.5(f) and is proposing to implement the commenter's recommendation at N.J.A.C. 14.8-5.5(f), such that it refers to "export" rather than "generation" capacity and a circuit's "relevant minimum load" as opposed to the "total annual peak load." The Board is also proposing to implement the commenter's recommendation at N.J.A.C. 14:8-5.5(i) to specify that the threshold should be determined using export capacity. The Board thanks the commenter for its support and recommendations.

26. COMMENT: The commenters recommend that the proposed rules define a timeline for customers to remedy deficiencies in their applications once the utility determines it to be incomplete. (IREC and NJUA)

RESPONSE: The Board appreciates the commenters' suggestion to define more timelines for customers/interconnection applicants and is proposing to amend the level 2 interconnection review, accordingly. The Board proposes to amend N.J.A.C. 14:8-5.5(n) to include a timeline of 15 business days for applicants to rectify their application after being notified by the EDC that it is incomplete, or their application will be deemed withdrawn. The Board intends for this proposed amendment to reduce the administrative burden on the EDCs.

27. COMMENT: The commenter requests clarification of N.J.A.C. 14:8-5.5(a)1, in which the maximum capacity eligibility requirement for systems in the level 2 interconnection review is listed as two MW direct current, while N.J.A.C. 14:8-5.2(a)2i states that level 2 projects are designated as two MW alternating current. They request that standard units of alternating current be promulgated in the new rules. (PowerFlex)

28. COMMENT: The commenter states that at N.J.A.C. 14:8-5.5, the Board has incorrectly used units of direct current. (JCP&L)

29. COMMENT: The commenter asserts that all units and measurements at levels 1, 2, and 3 should be in alternating current, including energy storage. (RECO)

30. COMMENT: The commenters recommend that the EDCs uniformly use alternating current (AC) values in interconnection processes and hosting capacity maps. (NAIOP, Piq Energy, and Solar Landscape)

31. COMMENT: The commenter states that the units of direct current should be changed to alternating current, with respect to customergenerator facility size criteria, in order to keep consistency with the interconnection studies. (ACE)

32. COMMENT: The commenter refers to N.J.A.C. 14:8-5.5(a)1 and states that "the proposed rule states a resource's capacity is measured in direct current," which they believe is a mistake and, therefore, requests the Board amend the proposed rule to consistently state that a resource's capacity is measured in alternating current. (IREC)

RESPONSE TO COMMENTS 27 THROUGH 32: The Board appreciates the commenters' drawing attention to this inconsistency with respect to units. The Board is proposing to amend N.J.A.C. 14:8-5.5(a)1, such that all units of power capacity are measured and reported in alternating current (AC), rather than direct current (DC).

33. COMMENT: Regarding N.J.A.C. 14:8-5.5(b), the commenter recommends inclusion of the following language "... or not required for the customer generator facility to conform with IEEE-1547-2018 (or latest approved, applicable IEEE standards)." (JCP&L)

RESPONSE: The Board appreciates the commenter's feedback and agrees that customer-generators should not be subjected to EDC studies that are neither described at N.J.A.C. 14:8-5, nor IEEE Standard 1547 (2018), and is, thus, proposing to amend N.J.A.C. 14:8-5.5(b) pursuant to the commenter's suggestion.

34. COMMENT: With respect to recodified N.J.A.C. 14:8-5.5(p)4i, the commenter states that EDCs cannot consider a non-exporting technology without a definition with the appropriate standards and that mitigation of

application failure cannot be made through export limiting until further definition and operation of this technology is made. (ACE)

RESPONSE: The Board appreciates the commenter's feedback and agrees that more clarity is required with respect to the utilization of export-limiting technology. The Board is, thus, proposing to amend N.J.A.C. 14:8-5.2(l) to define specific parameters and offer guidance for EDCs and potential customer-generators with respect to the utilization of export controls, including acceptable export control methods for non-exporting and limited export DER.

N.J.A.C. 14:8-5.6 Level 3 Interconnection Review

35. COMMENT: The commenter expresses an unwillingness to hold an application in abeyance for 60 days until the scope is finalized. Instead, an applicant should only be given 30 days. (ACE)

RESPONSE: The Board appreciates the commenter's concern and is proposing to amend recodified N.J.A.C. 14:8-5.6(m) to remove the allowance for applicants to have their application be held in abeyance for 60 days.

36. COMMENT: Pertaining to N.J.A.C. 14:8-5.6(a)1, the commenters have pointed out that units of direct current have been used instead of alternating current. (JCP&L, ACE, and RECO)

RESPONSE: The Board appreciates the commenters for drawing attention to this inconsistency and is proposing to change all units of current to AC, rather than DC.

37. COMMENT: The commenter states that the Board should amend the proposed rules to require EDCs and applicants to agree to an RPA early within the screening process. The commenter recommends supplementing the interconnection rules with a defined RPA review process for each of the interconnection review levels. The commenter proposes revisions to demonstrate how to integrate the RPA review into the existing level 3 procedure in a relatively seamless manner. (IREC)

RESPONSE: The Board appreciates the commenter's suggestion and is proposing to amend recodified N.J.A.C. 14:8-5.6(1) to define an RPA review process for level 3 interconnection applications. The Board believes that the requirement for the customer-generator applicant and their respective EDC to reach consensus on an appropriate location for the interconnection and interoperability performance requirements to apply is a meaningful addition to the interconnection process.

38. COMMENT: The commenter is concerned that the \$2,000 cap on the level 3 interconnection application fee could lead to ratepayers being responsible for potential additional costs of the respective EDC processing the application. While the application fees are structured to scale the application costs for differently sized projects, the \$2,000 application fee cap effectively removes that structure. The commenter, thus, recommends that the interconnection costs be charged to the applicant requesting to connect their DER project to the grid and the proposed new rule should state that "[a]n application fee shall be set by the EDC based on its historic, actual costs incurred to process a level 3 application." Further, the commenter states that the application fees should cover all costs to the EDC to process the application and recommends revising proposed new N.J.A.C. 14:8-5.6(k) to add "[t]he Customer-generator will be responsible to pay the costs of any system upgrades needed to connect its proposed DER facility to the EDC's grid." (DRC)

RESPONSE: The Board is sensitive to ratepayer cost concerns and is, therefore, proposing to increase the application fee cap to \$10,000 for level 3 projects. This cap, as expressed at proposed N.J.A.C. 14:8-5.6(j) (recodified in this notice as subsection (k)), only pertains to the initial fee for the application review, however, and is not reflective of the total interconnection cost. Proposed N.J.A.C. 14:8-5.6(j) (recodified in this notice as subsection (k)) already provides that the "application fee shall be in addition to charges for actual time spent on analyzing the proposed interconnection. Costs for EDC studies and facilities necessary to accommodate the applicant's proposed customer-generator facility shall be the responsibility of the applicant." Thus, the Board believes the commenter's suggested addition at N.J.A.C. 14:8-5.6(m) is redundant and declines to incorporate that amendment. The existing language also specifies applicants are responsible for incremental costs above this core fee. Thus, the Board declines to remove the application fee cap for level 3 interconnections because of the unintended result this could have of discouraging large customer-generator facilities from connecting to the distribution grid. Nonetheless, the Board appreciates the commenter's suggestion regarding application fees being based upon historic, actual costs. The Board does not currently monitor how many total hours of labor are required, and at what respective employee skill level, to process an interconnection application. Acquiring this information could enable the Board to set fees that better reflect the work required to process applications. Unfortunately, the Board believes that requiring such information at this time could put an undue administrative burden on the EDCs.

39. COMMENT: The commenters recommend that the proposed rules define a timeline for customers to remedy deficiencies in their applications once the EDC determines it to be incomplete. (IREC and NJUA)

RESPONSE: The Board appreciates the commenters' suggestion to define more timelines for customers' interconnection applicants and is proposing to amend N.J.A.C. 14:8-5.6(b) to include a timeline of 15 business days for applicants to rectify their application after being notified by the EDC that it is incomplete.

40. COMMENT: With respect to N.J.A.C. 14:8-5.6(q) (recodified in this notice as subsection (r)), the commenter states that the Board has not made clear that the costs of upgrades should not be recoverable from ratepayers. The commenter objects to cost-shifting because limiting the applicant's responsibility to pay for the costs it directly causes violates cost-causation principles of ratemaking. (DRC)

RESPONSE: The Board has proposed to implement the N.J.A.C. 14:8-5.6(q) (recodified in this notice as subsection (r)) cost envelope in an effort to ensure that the EDCs give reasonable estimates to developers/ applicants with respect to the necessary system upgrades to safely interconnect their DER. The Board believes that cost overruns exceeding 50 percent of the total upgrade cost would likely be the result of EDC imprudence and, thus, would not be recoverable from ratepayers. It is possible, however, that cost overruns of such a magnitude will not always be the result of EDC imprudence. Thus, based on the commenter's recommendation, the Board proposes adding the following sentence at recodified N.J.A.C. 14:8-5.6(r), in reference to the 50 percent cost overruns: "These costs overruns shall also not be borne by ratepayers unless the EDC demonstrates to the Board that its original cost estimate was reasonable under the circumstances and the subsequent cost overrun was not the result of its own imprudence."

N.J.A.C. 14:8-5.7 Interconnection Fees

41. COMMENT: The commenter objects to the proposed amendments to this section because it sets limits on the amounts that EDCs may charge for application fees, engineering review of applications, connecting to the grid, or operating a customer's facility. N.J.A.C. 14:8-5.7(b) limits the fee of reviewing a level 2 application. N.J.A.C. 14:8-5.7(c) limits the fee of reviewing a level 3 application. Further, the commenter states that N.J.A.C. 14:8-5.7(c) is not consistent with N.J.A.C. 14:8-5.5(j) because it does not include a \$2,000 limit for level 3 application fees. Accordingly, the commenter recommends revising N.J.A.C. 14:8-5.7(c) and 5.6(j) consistent, such that all references to the \$2,000 application cost cap are removed. (DRC)

RESPONSE: Pursuant to the proposed amendments and new rules at N.J.A.C. 14:8-5, all applicants must cover the full cost of any system upgrades needed to facilitate their interconnection, and both level 2 and level 3 applicants must also cover the full cost of processing their applications. The new application fees for level 1 applications will also require level 1 applicants to start contributing to the cost of processing their application fees will be to reduce, rather than increase, the shifting of application processing costs to ratepayers. That said, the Board is proposing to amend both N.J.A.C. 14:8-5.7(c) and 5.6(j) to implement a cost cap of \$10,000 for level 3 initial applications, which is not inclusive of any electrical power system (EPS) upgrades required by the EDCs. The Board appreciates the commenter drawing attention to this inconsistency.

42. COMMENT: The commenter states that within the proposed rules, there is a conflicting provision at N.J.A.C. 14:8-5.6(j), which specifies a \$2,000 maximum application fee, that is not reflected at N.J.A.C. 14:8-

5.7(c). The Board should amend N.J.A.C. 14:8-5.7(c) to adopt the provision limiting the application fee to \$2,000. (IREC)

RESPONSE: The Board is proposing to remove the inconsistency at proposed N.J.A.C. 14:8-5.7(c) and 5.6(j), which refer to the initial application fees for a level 3 interconnection, by amending both N.J.A.C. 14:8-5.7(c) and 5.6(j), such that they provide for a maximum application fee of \$10,000. The Board appreciates the commenter pointing out this inconsistency.

N.J.A.C. 14:8-5.8 Testing, Maintenance, and Inspection After Interconnection Approval

43. COMMENT: The commenter recommends that the Board amend N.J.A.C. 14:8-5.8(b), such that additional provisions for recordkeeping should be required to be in compliance with IEEE Standard 1547 (2018). At a minimum, any change to software, firmware, or hardware should be documented in a log, along with any test reports confirming that required settings have not been changed. (JCP&L)

RESPONSE: The Board appreciates the commenter's suggestion and believes this is a valuable addition, as it is the Board's intention for customer-generators to be in compliance with the IEEE Standard 1547 (2018). The Board is proposing to amend N.J.A.C. 14:8-5.8(b) to require the compliance be with the IEEE Standard 1547 (2018) for three calendar years.

N.J.A.C. 14:8-5.11 Hosting Capacity Maps

44. COMMENT: The commenter requests clarity with respect to programs that implement a 120-day deadline to make a tariff or compliance filing. It is unclear whether the EDCs will be required to fully develop and implement these programs within four months, which is infeasible. The commenter recommends extending this deadline to one year. (PSE&G)

45. COMMENT: The language regarding implementation and related timeframes should be made clearer such that there is a consistent understanding that the EDCs must file a "plan" with the Board, rather than fully implement a plan within 120 days. (JCP&L)

46. COMMENT: The commenter requires more clarity on the imposed 120-day deadlines. As proposed, it is unclear whether the rules require fully developed and implemented tariffs/compliance filings within this time frame or propose plans for such programs. The commenter recommends extending these deadlines to one year. (NJUA)

RESPONSE TO COMMENTS 44, 45, AND 46: Based on the commenters' concerns that 120 days is an insufficient time frame for implementing tariff filings, the Board is proposing to amend the timeline to 240 days. The Board does not deem it necessary to provide an entire year for the EDCs to implement tariffs and compliance filings due to the extensive period of time spent undergoing stakeholdering, specifically with the EDCs, preceding the notice of adoption and the understanding that the EDCs have been well aware of these pending requirements since at least February 2023 (<u>https://njcleanenergy.com/renewable-energy/programs/gridmod</u>).

47. COMMENT: The commenter recommends revising N.J.A.C. 14:8-5.11(c)2 to include the following, with new text designated in boldface: "A recommended and maximum amount of additional export capable generating capacity, defined as the maximum amount of power customergenerator facilities can export, after accounting for any non-exporting technology, that can be accommodated on each nearby open circuit without violating any reliability criteria, including, but not limited to, thermal, steady-state voltage, voltage fluctuation, and voltage protection criteria; and maximum amount of additional import capacity, defined as the maximum amount of additional power demand that can be accommodated on any given circuit(s)." (EDF)

RESPONSE: The Board appreciates the commenter's recommendation of specifying that hosting capacity maps should present import capacity information and proposes to amend N.J.A.C. 14:8-5.11(c)2, as recommended. This amendment will help applicants, customers, and developers make more informed choices of where to locate their future DER projects or customer-generator facilities.

Summary of Agency-Initiated Changes:

1. The definition of "common interconnection agreement process" was amended, such that the term "agreement" has been changed to "application." The Board has implemented this change to add clarity to the term due to the fact that an application may not necessarily result in an agreement.

2. The Board is proposing to amend recodified N.J.A.C. 14:8-5.5(s) to require compliance with IEEE Standard 1547 (2018), rather than the 2003 version of the standard.

3. The Board is also proposing several amendments to implement and ensure compliance with P.L. 2025, c. 7.

a. The Board is proposing to add a definition for the term "grid supply solar facility" at N.J.A.C. 14:8-5.1.

b. The Board proposes new N.J.A.C. 14:8-5.2(s), which requires that facilities needed to accommodate the interconnection of grid supply solar facilities and energy storage systems to comply with applicable electric code construction standards, electric public utility construction standards, and any other applicable safety standards or code requirements, and requires EDCs to work collaboratively with grid supply solar facility and energy storage system operators to update these standards or requirements, when necessary.

c. The Board proposes new N.J.A.C. 14:8-5.6(c) to require EDCs to accept, process, and approve level 3 interconnection applications for grid supply solar facilities and energy storage systems, unless the applications are incomplete, or the proposed interconnection would create safety or reliability problems, in which case, the EDC must provide the applicant with recommendations on how to complete the application or reconfigure the proposed project to address the EDC's concerns.

d. The Board is proposing to remove the language at recodified N.J.A.C. 14:8-5.6(m) that allows applicants to request the EDC hold their draft impact study agreement in abeyance for up to 60 days, as this option could prevent EDCs from completing these studies in the now statutorily required 90-day period as described at P.L. 2025, c. 7.

e. The Board is proposing to amend recodified N.J.A.C. 14:8-5.6(n), such that EDCs can only elect to extend the study process by up to 15 business days instead of 20 business days, again to ensure that EDCs complete the system impact studies within 90 days.

Effect of Proposed Changes on Impact Statements Included in Original Proposal

The following changes to the proposed amendments will not affect the impact statements included in the original notice of proposal:

The changes in this notice are not anticipated to have significant impacts on the Social, Economic, Jobs, Agriculture Industry, or Racial and Ethnic Community Criminal Justice and Public Safety Impacts; the Federal Standards Statement; the Regulatory Flexibility Statement; or the Housing Affordability or Smart Growth Development Impact Analyses, as published in the original notice of proposal. In particular, the proposed amendment to shift the costs of the CIAP platform away from ratepayers onto developers reinforces the Board's original finding that the CIAP platform development will have a de minimis effect on electricity rates and by extension de minimis social, economic, job, agricultural, and housing affordability impacts. As a whole, the Board intends for this notice of substantial changes to increase the amount of renewable, storage, and DER capacity in New Jersey to help alleviate growing shortages of generation capacity due to the combination of recent generator retirements and dramatic increases in forecasted electricity demand driven by advances in artificial intelligence. Failure to take comprehensive action to address these tightening supply conditions will leave the ratepayers of New Jersey disproportionately exposed to the risk of suffering the economic, housing affordability, agriculture, jobs, social, and other impacts of electricity shortages. Though the renewable energy market is still dependent on State and Federal government subsidies, the Board intends for this rulemaking to be a step towards a competitive renewable energy market that stands on its own two feet.

Full text of the proposed substantial changes to the proposed amendments and new rules follows (additions to proposal indicated in italicized boldface *thus*; deletions from proposal indicated in italicized cursive brackets /thus/):

SUBCHAPTER 5. INTERCONNECTION OF CLASS I RENEWABLE ENERGY SYSTEMS

14:8-5.1 Interconnection definitions

The following words and terms, when used in this subchapter, shall have the following meanings, unless the context clearly indicates otherwise. Additional definitions that apply to this subchapter can be found at N.J.A.C. 14:3-1.1 and 14:8-1.2.

"Certified power control systems" means devices or systems that enable directional power protection for limiting or preventing current flow from inverter-based DER resources.

"Common interconnection {agreement} application process" or "CIAP" means a common EDC application that allows customergenerators to apply for and manage the interconnection process electronically through a portal-based software application platform capable of tracking key information throughout the subsequent interconnection application process, documenting generation type and capacity, and incorporating schedules and budgets for upgrade commitments and construction timelines.

"Customer-generator" means an electricity customer that generates electricity either on the customer's side of the meter or in front of the meter using a class I renewable energy source, the owner or operator of a community solar facility, or the owner or operator of a community energy system.

"Customer-generator facility" means the equipment used by a customer-generator to generate, manage, store, and/or monitor electricity. A customer-generator facility typically includes an electric generator and/or interconnection equipment that connects the customer-generator facility directly to the customer or the distribution grid.

"Directional power protective function" means the application of power electronics and control systems that can be utilized to mitigate or eliminate current flow on the distribution system.

{"Distributed energy resource" or "DER" means an inverterbased, electricity-producing resource, an energy storage device, or a controllable load that is connected to an electric public utility's distribution infrastructure.}

"Distributed energy resource" or "DER" means the equipment used by an interconnection customer to generate and/or store electricity that operates in parallel with the electric distribution system. A DER may include, but is not limited to, an electric generator and/or energy storage system, a prime mover, or combination of technologies with the capability of injecting power and energy into the electric distribution system, which also includes the interconnection equipment required to safely interconnect the facility with the distribution system.

"Export capacity" means the amount of power that can be transferred from a DER or customer-generator facility to the distribution system. Export capacity is either the nameplate rating, or a lower amount, if limited, using an acceptable means identified in this subchapter.

"Grid supply solar facility" means the same as the term is defined in section 3 at P.L. 1999, c. 23 (N.J.S.A. 48:3-51).

"Inadvertent export" means the unscheduled export of active power from a DER or customer-generator facility, exceeding a specified magnitude and for a limited duration, generally due to fluctuations in load-following behavior.

"Nameplate rating" or "nameplate capacity" means the sum total of maximum rated power output of all of a DER or customer-generator facility's constituent generating units and/or energy storage systems as identified on the manufacturer nameplate, regardless of whether it is limited by any approved means.

. . .

"Reference point of applicability" (RPA) means a location proximate to the customer-generator facility where the interconnection and interoperability performance requirements, as specified at IEEE Standard 1547, apply.

"Relevant minimum load" means the lowest measured circuit or substation load coincident with the DER or customer-generator facility's production, and for solar photovoltaic DERs or customergenerator facilities with no energy storage, the lowest measured circuit or substation load between the hours of 10:00 A.M. and 4:00 P.M. for fixed panel systems and between the hours of 8:00 A.M. and 6:00 P.M. for systems utilizing tracking.

. . .

14:8-5.2 General interconnection provisions

(a) Each EDC shall provide the following three review procedures for applications for interconnection of customer-generator facilities:

1. Level 1: An EDC shall use this review procedure for [all] applications to connect inverter-based customer-generator facilities {which} that have a {power} nameplate rating, as measured in alternating current, of 50 kilowatts (kW) or less and an export capacity of [10] 25 kW or less, as measured in alternating current, and {which} that meet the certification requirements at N.J.A.C. 14:8-5.3. Level 1 interconnection review procedures are set forth at N.J.A.C. 14:8-5.4;

2. Level 2: An EDC shall use this review procedure for applications to connect customer-generator facilities [with a power rating of two MW or less] {which} *that* meet the certification requirements at N.J.A.C. 14:8-5.3[.] **and that:**

i. {Are} Have an export capacity of two megawatts (MW) or less, as measured in alternating current;

ii. Do not qualify for level 1 interconnection review procedures; or iii. Did not pass a level 1 process. Level 2 interconnection review procedures are set forth at N.J.A.C. 14:8-5.5; and

3. (No change from proposal.)

(b)-(j) (No change from proposal.)

(k) In determining the appropriate interconnection level and performing the related studies, the EDC shall allow a prospective generator to limit its ability to export power to the grid to less than its nameplate rating/, including the utilization of non-exporting technology that prevents the export of electricity past the point of common coupling, either in whole or in part,} pursuant to (l) below or by enrolling in a Board-approved EDC grid flexibility services program. The net export capacity of the customer-generator facility shall form the basis for the appropriate studies, unless the EDC determines, using good utility practice, that the applicant's proposal would potentially harm the integrity of the EDC system and documents such findings to the Board.

(1) Export control methods: If a customer-generator facility uses any configuration or operating mode at (1)2 below to limit the export of electrical power across the point of common coupling, then its export capacity shall be the maximum amount of power it can export when using the relevant configuration or operating mode (not including any inadvertent export). To prevent impacts on system safety and reliability, any inadvertent export from a customer-generator facility must comply with the limits identified in this subsection. The export capacity specified by the interconnection customer in the application will subsequently be included as a limitation in the interconnection agreement.

1. An application proposing to use a configuration or operating mode to limit the export of electrical power across the point of common coupling shall include proposed control and/or protection settings.

2. Acceptable export control methods include:

i. Export control methods for non-exporting customer-generator facilities, as follows:

(A) Reverse power protection (Device 32R11): To limit export of power across the point of common coupling, a customer-generator may implement a reverse protective function using a utility grade protective relay. The default setting for this protective function shall be 0.1 percent export of the service transformer's nominal base nameplate rating, with a maximum 2.0 second time delay to limit inadvertent export;

(B) Minimum power protection (Device 32F): To limit export of power across the point of common coupling, a customer-generator may

implement a minimum import protective function using a utility grade protective relay. The default setting for this protective function shall be five percent (import) of the DER's total nameplate rating, with a maximum 2.0 second time delay to limit inadvertent export; and

(C) Relative distributed energy resource rating: A customergenerator may choose to specify its customer-generator facility's export capacity as zero if the customer-generator facility's nameplate rating is no greater than 50 percent of the customer-generator's verifiable minimum host load during relevant hours over the past 12 months and the customer-generator facility will not interconnect to an area network or spot network.

ii. Export control methods for limited-export customer-generator facilities are as follows:

(A) Directional power protection (Device 32): To limit export of power across the point of common coupling, a customer-generator may implement a directional power protective function using a utility grade protective relay. The default setting for this protective function shall be the export capacity value, with a maximum 2.0 second time delay to limit inadvertent export; and

(B) Export capacity: A customer-generator may use a reduced output power rating that utilizes an export capacity setting to ensure the DER does not generate power beyond its export capacity. The export capacity setting must correspond to the active or apparent power ratings in Table 28 of IEEE Standard 1547, as described in subclause 10.4. A local DER communication interface shall not be required to utilize the export capacity setting, as long as it can be set by other means. The reduced power rating may be indicated by means of a nameplate rating replacement, a supplemental adhesive nameplate rating tag to indicate the reduced nameplate rating, or a signed attestation from the customergenerator confirming the export capacity.

iii. Export control methods for non-exporting DER or limited-export DER are as follows:

(A) Certified power control systems: A customer-generator may use certified power control systems to limit export. Customer-generator facilities utilizing this option must use a power control system and inverter certified pursuant to UL 1741 by a nationally recognized testing laboratory (NRTL) with a maximum open loop response time of no more than 30 seconds to limit inadvertent export. NRTL testing to the UL Power Control System Certification Requirement Decision shall be accepted until similar test procedures for power control systems are included in a standard. This option is not available for interconnection to area network or spot networks; and

(B) Agreed-upon means: DER may be designed with other control systems and/or protective functions to limit export and inadvertent export if mutual agreement is reached with the relevant EDC. The limits may be based on technical limitations of the interconnection customer's equipment or the electric distribution system equipment. To ensure inadvertent export remains within mutually agreed-upon limits, the interconnection customer may use an uncertified power control system, an internal transfer relay, energy management system, or other customer facility hardware or software if approved by the relevant EDC.

 $\{(\mathbf{l})\}$ (*m*) (No change in text from proposal.)

{(m)} (n) By (one year of the effective date of this rulemaking), each EDC shall establish a secure common interconnection {agreement} application process (CIAP) that will provide a structured approach for submitting interconnection applications, tracking key information throughout the interconnection application process, and monitoring the interconnection process electronically. The minimum core functional requirements for the CIAP are listed at N.J.A.C. 14:8-5.13. Each EDC's CIAP-compliant portal shall be developed based on the needs of the EDC and its applicants and maintain a consistent customer experience for applicants across all EDC service territories. The {cost of implementing} EDCs shall provide a detailed cost estimate for the development, implementation, and ongoing operation and maintenance of the required CIAP portal. EDCs may only expend funds to implement the CIAP portal after submitting cost estimates for achieving the minimum functionality required at N.J.A.C. 14:8-5.13 to the Board and receiving Board approval to proceed with implementation. The EDCs shall recover the prudently incurred costs of the CIAP portal {and related costs shall be recovered by each EDC as part of its base rates or through an approved Infrastructure Investment Program pursuant to N.J.A.C. 14:3-2A.2. Each CIAP shall, at a minimum:

1. Include a portal-based application form that requires the following types of information:

i. Basic information regarding the customer-generator involved;

ii. Information regarding the type and specifications of the customer-generator facility;

iii. Information regarding the contractor who will install the customer-generator facility;

iv. Certifications and agreements regarding utility access to the customer-generator's property, emergency procedures, liability, compliance with electrical codes, proper operation and maintenance, and receipt of basic information;

v. Include a check box to indicate whether the applicant has previously requested the PAVE process;

vi. Include a check box to indicate whether the applicant has previously requested the Enhanced PAVE process and has been granted an Enhanced PAVE process meeting; and

vii. Other similar information, as needed to determine the compliance of a particular applicant with this chapter;

2. Include standardized online forms for required applicant information, the ability to save all work in progress for application completion at a later time, a visual "thermometer bar" indicator of progress through the full process, options for email and phone/text status change notifications, and other such administrative requirements that the Board may establish via Board order either following a joint EDC proposal or on its own initiative;

3. Integrate with a solar permitting application software platform, such as SolarAPP+ or other similar solar permitting tool selected and implemented jointly by the EDCs, and approved by the Board;

4. Document generation type and capacity, timelines, schedule and budget for upgrade commitments, when upgrade payments or deposits are due or have been paid, and construction timelines, and other comparable requirements that the Board may establish through Board order either following a joint EDC proposal or on its own initiative;

5. Provide automatic email and online notifications to the applicant with the goal of enforcing clearly defined tariff timelines and reducing the turnaround time for missing data. The software should be designed to improve the accuracy and consistency of data entry and facilitate cross- department intake of application information and to identify missing data upon submission or as soon as practicable after submission to minimize the number of incomplete applications;

6. Enable each EDC to customize the forms while maintaining a consistent customer experience;

7. Enable each EDC to provide key performance indicators regarding interconnection processing, including the number of applications with missing data, applications with complete information, and achieved timelines for all interconnection applications at all interconnection levels.

8. Allow for a fully virtual interconnection process, including allowing for the upload of files and documents; and

9. Include a Frequently Asked Questions (FAQ) webpage to provide guidance useful to interconnection customers engaging in the interconnection process that clearly presents context and instructions for interacting with the electronic application tracking system.} over a five-year period through application and PAVE fees collected by each EDC. On an annual basis, the fees collected will be adjusted to enable the EDCs to recover their prudently incurred costs by the end of the fifth year.

1. In the event an EDC does not fully recover its prudently incurred costs of the CIAP portal through application and PAVE fees, it may recover the lesser of the difference between its prudently incurred costs of the CIAP portal and the revenue it raised through application and PAVE fees or five percent of its prudently incurred costs of the CIAP portal from its ratepayers.

2. In the event that an EDC recovers more than its prudently incurred costs of the CIAP portal through application and PAVE fees, it shall credit the lesser of the difference between its prudently incurred costs of

the CIAP portal and the revenue it raised through application and PAVE fees or five percent of its prudently incurred costs of the CIAP portal from its ratepayers. Any remaining over-recovery shall then be credited to the parties that paid application and/or PAVE fees to the EDC on a pro-rata basis.

Recodify proposed (n)-(q) as (o)-(r) (No change in text from proposal.) (s) Any facilities needed to accommodate the interconnection of grid

(s) Any factules needed to accommodule the interconnection of grid supply solar facilities or energy storage systems shall conform to applicable electric code construction standards, EDC construction standards, and any other applicable safety standards or code requirements. Each EDC shall use commercially reasonable efforts to work collaboratively with grid supply solar facility and energy storage system operators to develop new construction standards, where necessary, to ensure that any facilities needed to accommodate their interconnection do not adversely affect the safe and reliable operation of the electric distribution system.

 $\{(\mathbf{r})\}\ (t)$ By ($\{120\}\ 240\ days$ of the effective date of this rulemaking), each EDC shall file a compliance tariff that sets forth standardized protocols governing the conduct of system impact studies, facility studies, related agreements, and a pro forma interconnection agreement, as well *as* a detailed description of the various elements of a system impact study it would typically undertake pursuant to N.J.A.C. 14:8-5.6, along with, and including:

1.-7. (No change from proposal.)

14:8-5.3 Certification of customer-generator interconnection equipment

(a)-(b) (No change from proposal.)

(c) If the interconnection equipment has been tested and listed in accordance with this section as an integrated package[, which] that includes [a generator or other electric source] an electrical power system facility or a customer-generator facility, the interconnection equipment shall be deemed certified and the EDC shall not require further design review[,] or testing [or additional equipment] *beyond that which is required pursuant to IEEE Standard 1547*.

(d) If the interconnection equipment includes only the interface components (switchgear, inverters, **non-exporting technology**, or other interface devices), an [interconnection] applicant shall show that the generator or other electric source being utilized with the interconnection equipment is compatible with the interconnection equipment and consistent with the testing and listing specified for the equipment. If the generator or electric source being utilized with the interconnection equipment is consistent with the testing and listing specified for the equipment. If the generator or electric source being utilized with the interconnection equipment is consistent with the testing and listing performed by the OSHA-approved nationally recognized testing laboratory or alternative testing protocols permitted pursuant to this section, the interconnection equipment shall be deemed certified and the EDC shall not require further design review, testing, or additional equipment *beyond that which is required pursuant to IEEE Standard 1547*.

14:8-5.4 Level 1 interconnection review

(a) Each EDC shall adopt a level 1 interconnection review procedure. The EDC shall use the level 1 review procedure only for an application to interconnect a customer-generator facility that meets all of the following criteria:

1. (No change from proposal.)

2. The facility has a *nameplate rating, as measured in alternating* current, of 50 kilowatts (kW) or less and an export capacity of [10] 25 kW or less; and

3. (No change.)

(b) (No change from proposal.)

(c) The aggregate {generation} *nameplate* capacity on the line section to which the customer-generator facility will interconnect, including the capacity of the customer-generator facility, shall not contribute more than 10 percent to the distribution circuit's maximum fault current at the point on the high voltage (primary) level that is nearest the proposed point of common coupling.

(d) (No change from proposal.)

(e) If a customer-generator facility is to be connected to a radial line section, the aggregate {generation} *export* capacity connected to the circuit, including {that} *the export capacity* of the customer-generator facility, {reduced by any export limited capacity achieved through

non-exporting technology, shall not exceed {[10] **15** percent ([15] **25** percent for solar electric generation) *100 percent* of the circuit's {total annual peak} *relevant minimum* load, as most recently measured at the substation.

(f) If a customer-generator facility is to be connected to a single-phase shared secondary, the aggregate generation capacity connected to the shared secondary, including the *export capacity of the proposed* customer-generator facility, shall not exceed [20] **30** kilovolt-amps (kVA).

(g)-(h) (No change from proposal.)

(i) Within three business days after receiving an application for level 1 interconnection review, the EDC shall [provide written or e-mail notice to] notify the applicant, in writing, through email and through the CIAP portal that it received the application and [whether] that the application is either complete or incomplete. If the application is incomplete, the written notice shall include a list of all of the information needed to complete the application. *The applicant must provide the requested information within 15 business days or the application will be deemed withdrawn*.

(j) Within five business days after the EDC notifies the applicant that the application is complete, it shall notify the applicant if the RPA denoted in the application is appropriate and should provide the applicant five business days to revise the application to amend the RPA location. If the applicant does not identify a new RPA within five business days of receiving notice from the EDC that its proposed RPA is inappropriate, the application will be deemed withdrawn.

 $\{(j)\}$ (k) Within 10 business days after the EDC notifies the applicant that the application is complete [under] pursuant to (i) above (or 12 business days if the RPA needs to be amended pursuant to (j) above), the EDC shall notify the applicant that:

1. The customer-generator facility meets all of the criteria at (c) through (g) above that apply to the facility, and the interconnection will be finally approved upon completion of the process set forth at $\{(k) \text{ through } (p) \text{ below; } [or]$

2. The customer-generator facility has failed to [meet] **pass** one or more of the applicable [criteria] screens at (c) through (g) above, and the interconnection application is denied[.], subject to the resubmittal options set forth at $f(\mathbf{p})$ (g) below; or

3. {That the} *The* customer-generator facility is proposing to connect to a spot network or an area network, and the EDC requires additional time to determine whether the interconnection is technically feasible.

 $\{(k)\}\$ (*l*) If the EDC notifies the customer-generator [under] **pursuant** to $\{(j)1\}\$ (*k*)1 above that the facility will be approved, the EDC shall, within three business days after sending the notice [under] **pursuant** to $\{(j)1\}\$ (*k*)1 above, do both of the following:

1.-2. (No change from proposal.)

 $\{(l)\}$ (m) Once an applicant receives Part 1 of the application with the EDC signature in accordance with $\{(k)\}$ (l) above, and has installed and interconnected the customer-generator facility, the applicant shall obtain approval of the facility [by] **from** the appropriate construction official, as defined at N.J.A.C. 5:23-4.1.

{(m)} (n) (No change from proposal.)

 $\{(n)\}\ (o)$ If inspection of the customer-generator facility was waived [under] **pursuant to** $\{(k)1\}\ (l)I$ above, the EDC shall, within five business days after receiving the submittal required [under] **pursuant to** $\{(m)\}\ (n)$ above, notify the customer-generator [of authorization] that it is **authorized** to energize the facility. The notice to the customer-generator shall be provided [in the format required under N.J.A.C. 14:8-5.2(i).] **through the CIAP portal and by email or other writing.**

 $\{(o)\}\ (p)$ If inspection of the customer-generator facility was not waived [under] **pursuant to** $\{(k)1\}\ (l)1$ above, the following process shall apply:

1. The customer-generator shall submit documentation of the construction official's [approval and] successful inspections and permit closing, as well as a signed Part 2 of the application as required at $\{(m)\}\$ (n) above, and inform the EDC that the customer-generator facility is ready for EDC inspection;

2. Within five business days after the customer-generator notifies the EDC [under] **pursuant to** f(0)1 (*p*)1 above that the facility is ready for

inspection, the EDC shall offer the customer-generator two or more available four-hour inspection appointments (for example, February 4th from noon to 4:00 P.M. or February 6th from 10:00 A.M. to 2:00 P.M.);

3. The appointments offered [under] **pursuant to** $\{(0)2\}$ (*p*)2 above shall be no later than 10 business days after the EDC offers the appointments (that is, within 13 business days after the customergenerator submittal [under] **pursuant to** $\{(m)\}$ (*n*) above);

4.-7. (No change from proposal.)

 $\{(p)\}\$ (q) If an application for level 1 interconnection review is denied because it does not meet one or more of the applicable requirements in this section, [an applicant may resubmit the application under the level 2 or level 3 interconnection review procedure, as appropriate.] the EDC shall provide {direct evidence of which screens were failed and why.}, in writing, the specific screens that the application failed, including the technical reason for failure. The EDC shall provide information and detail about the specific system threshold or limitation causing the application to fail the screen. In response, an applicant may either:

1. Resubmit an amended level 1 application for expedited review with appropriate mitigation measures that either reduce the customer-generator facility's capacity or restrict its ability to export past the point of common coupling through the addition of nonexporting technology. The EDC shall also allow an applicant to address a failed screen by adding energy storage or increasing its proposed load, provided that such mitigation measures are paired with non-exporting technology and/or a reduction in the customergenerator facility's capacity; /or/

2. Resubmit the application pursuant to the level 2 or level 3 interconnection review procedure, as appropriate{.}; or

3. The applicant shall notify the EDC of how they want to proceed within 10 business days after receipt of the screen results. If no response is received, the application will be deemed withdrawn.

14:8-5.5 Level 2 interconnection review

(a) Each EDC shall adopt a level 2 interconnection review procedure. The EDC shall use the level 2 interconnection review procedure for an application to interconnect a customer-generator facility that meets [both of] the following criteria:

1. The facility has {a} an export capacity of two megawatts or less, as measured in {direct} alternating current; [and]

2.-3. (No change from proposal.)

(b) For a customer-generator facility described at (a) above, the EDC shall approve interconnection [under] **pursuant to** the level 2 interconnection review procedure if **the customer-generator facility meets** all of the applicable **screening** requirements at (c) through (l) below [are met]. An EDC shall not impose additional requirements not specifically authorized [under] **pursuant to** this section *or not required for the customer-generator facility to conform with IEEE Standard 1547 (or any successor IEEE standard the Board may by order direct EDCs to use).*

(c) The aggregate {generation} *nameplate* capacity on the line section to which the customer-generator facility will interconnect, including the *nameplate* capacity of the customer-generator facility, shall not cause any distribution protective equipment (including, but not limited to, substation breakers, fuse cutouts, and line reclosers) or customer equipment on the electric distribution system, to exceed [90] **95** percent of the short circuit interrupting capability of the equipment. In addition, a customer-generator facility shall not be connected to a circuit that already exceeds [90] **95** percent of the short circuit interrupting capability, prior to interconnection of the facility.

(d) (No change from proposal.)

(e) The aggregate {generation} *nameplate* capacity connected to the line section, including the customer-generator facility, shall not contribute more than 10 percent to the line section's maximum fault current at the point on the high voltage (primary) level nearest the proposed point of common coupling.

(f) If a customer-generator facility is to be connected to a radial line section, the aggregate {generation} export capacity connected to the electric distribution system by non-EDC sources, including the export capacity of the customer-generator facility, {reduced by any export limited capacity achieved through non-exporting technology,} shall

not exceed {[10] 15 percent (or [15] 25 percent for solar electric generation)} 100 percent of the {total circuit annual peak} circuit's relevant minimum load. For the purposes of this subsection, annual {peak} relevant minimum load shall be based on measurements taken over the 12 months prior to the submittal of the application, measured at the substation nearest to the customer-generator facility.

(g)-(h) (No change from proposal.)

(i) If a customer-generator facility is to be connected to a single-phase shared secondary, the aggregate {generation} *export* capacity on the shared secondary, including the customer-generator facility's *export capacity*, shall not exceed [20] **30** kilovolt-amps (kVA).

(j)-(m) (No change from proposal.)

(n) Within three business days after receiving an application for level 2 interconnection review, the EDC shall [provide written or e-mail notice to] **notify** the applicant **through the CIAP portal and by email** that it received the application and [whether] **that** the application is **either** complete or **incomplete**. If the application is incomplete, the [written] notice shall include a list of all of the information needed to complete the application. *The applicant must provide the requested information within 15 business days or the application will be deemed withdrawn.*

(o) Within five business days after the EDC notifies the applicant that the application is complete, it shall notify the applicant whether the RPA denoted in the application is appropriate. If the EDC determines the RPA is not appropriate, it shall inform the applicant of the reasons why and provide the applicant five business days to propose a new RPA in a revised application. If the RPA is not appropriately identified within five business days, the application will be withdrawn.

 $\{(o)\}\ (p)\$ Within 15 business days after the EDC notifies the applicant that the application is complete [under] **pursuant to** (n) above, the EDC shall notify the applicant [by e-mail or in writing] **through the CIAP portal and by email** of one of the determinations at $\{(o)1\}\ (p)1$ through $\{4\}\ 3$ below, as applicable. During the 15 business days provided [under] **pursuant to** this subsection, the EDC may, at its own expense, conduct any studies or tests it deems necessary to evaluate the proposed interconnection and arrive at one of the following determinations:

1. The customer-generator facility [meets] **passes** the applicable screening requirements [in] at (c) through (l) above or passes an EDC-conducted power flow analysis that demonstrates the interconnection poses no adverse impacts to the EPS. In this case[, the EDC shall]:

i. [Notify] The EDC shall notify the applicant, [by e-mail or other writing] through the CIAP portal and by email, that the interconnection will be finally approved upon completion of the process set forth at $\{(p) | (trough], (q), and (r) \} (q), (r), and (s) below; and$

ii. Within three business days after the notice [in] at $\{(0)1i\}$ (p) li above, the appropriate EDC representative shall sign Part 1 of the original application and the EDC shall return [to the applicant] the signed Part 1 [of the original application, signed by the appropriate EDC representative] to the applicant through the CIAP portal and by email or other writing;

2. The customer-generator facility has failed to meet one or more of the applicable **screening** requirements at (c) through (l) above, but the EDC has nevertheless determined that the customer-generator facility can be interconnected consistent with safety, reliability, and power quality. In this case[, the EDC shall]:

i. [Notify] The EDC shall notify the applicant [by e-mail or other writing] through the CIAP portal and by email that the interconnection will be finally approved upon completion of the process set forth at $\{(p)\}$ (*q*) [through], $\{(q)\}$ (*r*), and $\{(r)\}$ (*s*) below; and

ii. Within five business days after the notice [in] at $\{(o)2i\}$ (p)2i above, the appropriate EDC representative shall sign Part 1 of the original application and the EDC shall return [to the applicant] the signed Part 1 [of the original application, signed by the appropriate EDC representative] to the applicant through the CIAP portal and by email or other writing;

3.-4. (No change from proposal.)

 $\{(p)\}\ (q)\ Once a customer-generator receives Part 1 of the application with the EDC signature in accordance with <math>\{(o)1\}\ (p)1$, 2, or 3 above, and has installed and interconnected the customer-generator facility to the EDC's distribution system, the customer-generator shall obtain approval

of the facility from the appropriate construction official, as defined at N.J.A.C. 5:23-1.4.

 $\{(q)\}$ (*r*) (No change from proposal.)

 $\{(r)\}\$ (s) The EDC may require an EDC inspection of a customergenerator facility prior to operation, and may require and arrange for witness of commissioning tests as set forth [in] at IEEE [standard] Standard 1547 [(published July 2003)] in accordance with the following:

1. The customer-generator shall submit the construction official's approval and the signed Part 2 [under] of the application pursuant to $\{(q)\}$ (*r*) above and inform the EDC that the customer-generator facility is ready for EDC inspection;

2. Within five business days after the customer-generator informs the EDC {under (r)1} *pursuant to (s)1* above that the customer-generator facility is ready for inspection, the EDC shall notify the customer-generator of three or more available four-hour inspection appointments (for example, February 4th from noon to 4:00 P.M., February 6th from 10:00 A.M. to 2:00 P.M., or February 7th from 1:00 P.M. to 5:00 P.M.);

[3. The appointments offered under (r)2 above shall be no later than 15 business days after the EDC offers the appointments, (that is, within 20 business days after the customer-generator submittal under (r)1 above);]

3. The inspection times offered pursuant to $\{(r)2\}$ (s)2 above shall be based on the EDC's scheduling process, and shall not be unreasonably delayed;

4. (No change.)

5.-7. (No change from proposal.)

[(s) If an application for level 2 interconnection review fails to meet the requirements as described at (o)3 or 4 above, or is denied because it does not meet one or more of the requirements in this section, the applicant may resubmit the application under the level 3 interconnection review procedure.]

14:8-5.6 Level 3 interconnection review

(a) [Each] By (120 days of the effective date of this rulemaking), each EDC shall adopt a common set of level 3 interconnection review [procedure] screens. [The EDC shall use the level 3 review procedure for an application to interconnect a customer-generator facility that does not qualify for the level 1 or level 2 interconnection review procedures set forth at N.J.A.C. 14:8-5.4 and 5.5.] An EDC shall use the level 3 review screens for applications to connect customer-generator facilities that:

1. Are greater than two MW, as measured in {direct} alternating current;

2.-3. (No change from proposal)

[(b) The EDC shall conduct an initial review of the application and shall offer the applicant an opportunity to meet with EDC staff to discuss the application. At the meeting, the EDC shall provide pertinent information to the applicant, such as the available fault current at the proposed interconnection location, the existing peak loading on the lines in the general vicinity of the customer-generator facility, and the configuration of the distribution lines at the proposed point of common coupling.]

(b) Within 15 business days after receiving an application for level 3 interconnection review, the EDC shall notify the applicant through the CIAP portal and by email that it received the application and that the application is either complete or incomplete. If the application is incomplete, the notice shall include a list of all the information needed to complete the application. *The applicant must provide the requested information within 15 business days or the application will be deemed withdrawn.*

(c) Each EDC shall accept, process, and approve any level 3 interconnection application for interconnection to that EDC's electric distribution or transmission system for any grid supply solar facility or energy storage facility with a capacity of 20 megawatts or less, measured in alternating current, except as otherwise provided in this subsection.

1. An EDC may decline to accept, process, or approve a level 3 interconnection application for a grid supply solar facility or an energy storage system seeking interconnection to its electric distribution or transmission system if the EDC:

i. Finds the application to be incomplete, based on application criteria and protocols developed by the utility that are consistent with

any applicable Board orders and the requirements of this subchapter; or

ii. Deems the interconnection to be unsafe or a risk to the stability, reliability, or power quality of the EDC's electric distribution or transmission system.

2. If an EDC determines that the application is incomplete in accordance with (c)1i above, then the EDC, in response to the application, shall provide recommendations to the applicant as to how to modify the application to make it complete for review. If, after receipt of a complete application, an EDC determines that the proposed interconnection is unsafe or a risk to the stability, reliability, or power quality of the utility's electric distribution or transmission system in accordance with (c)1ii above, then, the EDC, in response to the application, shall provide recommendations to the applicant as to how to reconfigure, adjust, downsize, or otherwise modify the proposed grid supply solar facility, energy storage facility, or point of interconnection so that it is not unsafe or a risk to the stability, reliability, or power quality of the EDC's electric distribution or transmission system and allow the applicant to resubmit the application following such modifications.

Recodify proposed (c)-(g) as (d)-(h) (No change in text from proposal.)

[(k)] $\{(h)\}$ (i) If the commissioning tests are not satisfactory, the customer-generator shall repair or replace the unsatisfactory equipment and reschedule a commissioning test pursuant to [(i)] $\{(f)\}$ (g) above.

 $[(1)] \{(i)\} (j)$ (No change from proposal.)

 $\langle (j) \rangle$ (k) An application fee not to exceed \$100.00 plus \$10.00 per kW of the {nameplate rating} export capacity up to a maximum of {\$2,000} \$10,000 or other value as determined by Board order shall accompany any application and an application shall not be deemed complete until the application fee is received. The application fee shall be in addition to charges for actual time spent on analyzing the proposed interconnection. Costs for EDC studies and facilities necessary to accommodate the applicant's proposed customergenerator facility shall be the responsibility of the applicant.

 $\{(k)\}$ (l) Within 30 days of a completed application, the EDC shall conduct an initial review that includes a scoping meeting with the applicant. The scoping meeting shall take place in person, by telephone, or electronically, by a means mutually agreeable to the parties. At the scoping meeting, the EDC shall provide additional relevant and non-confidential information to the applicant that was not already provided as part of the PAVE report, including items such as the available fault current at the proposed interconnection location, the existing peak loading on the lines in the general vicinity of the customer-generator facility, and the configuration of the distribution lines at the proposed point of common coupling. The EDC shall also identify if the RPA denoted by the application is appropriate. If not, the EDC should specify why and require the applicant to update the application with the proper RPA within 10 business days. By mutual agreement of the parties, the scoping meeting or system impact study may be waived in writing.

 $\langle (\mathbf{n}) \rangle$ (m) Within five business days of the completion of the scoping meeting (or five business days after the EDC receives a completed application if the scoping meeting is waived), the EDC shall provide a draft system impact study agreement to the applicant, which shall include a good faith cost estimate of the cost and time for an impact study to be performed by the EDC. The applicant shall execute the impact study agreement within 10 business days, along with any deposit required by the EDC/; provided that the applicant may request that the EDC hold the draft agreement in abeyance for up to 60 calendar days to allow for negotiation of the scope of the system impact study or to engage in dispute resolution procedures as specified at N.J.A.C. 14:8-5.12 \rangle .

 $\{(m)\}\$ (n) Once an applicant delivers to the EDC an executed system impact study agreement and payment in accordance with that agreement, the EDC shall conduct the system impact study. The system impact study shall be completed within 30 business days of the applicant's delivery of the executed system impact study agreement; provided that if system upgrades are required, the EDC may elect to extend the study process by an additional $\{20\}\$ 15 business days. The system impact study provided to the applicant shall include a description of the EDC's analysis, conclusions, and the reasoning supporting those conclusions.

Recodify proposed (n)-(p) as (o)-(q) (No change in text from proposal.) {(q)} (r) Once the applicant executes the facilities study agreement and pays the EDC pursuant to the terms of that agreement, the EDC shall conduct the facilities study. The facilities study shall include a detailed list of necessary electrical power system upgrades and an itemized cost estimate, breaking out equipment, labor, operation, maintenance, and other costs, including overheads, for completing such upgrades. If the EDC commences construction of actual upgrades, the EDC may not charge the applicant for any portion of cost overruns that exceed 50 percent of the total estimated upgrade cost. These costs overruns shall also not be borne by ratepayers, unless the EDC demonstrates to the Board that its original cost estimate was reasonable under the circumstances and the subsequent cost overrun was not the result of its own imprudence. The facilities study shall also indicate the milestones for completion of the applicant's installation of its customer-generator facility and the EDC's completion of any electrical power system modifications, and the milestones from the facilities study (if any) shall be incorporated into the interconnection agreement. The facilities study shall be completed within 45 business days of the applicant's delivery of the executed facilities study agreement and receipt of any necessary deposits. If the applicant fails to execute the facilities study agreement or make the required deposits within 60 business days after receipt of the facilities study agreement from the EDC, the EDC may make the interconnection capacity available to other potential customer-generators and may require the applicant to re-start the interconnection process.

Recodify proposed (r)-(t) as (s)-(u) (No change in text from proposal.)

14:8-5.7 Interconnection fees

(a) (No change from proposal.)

(b) For a level 2 interconnection review, the EDC may charge initial application fees of up to \$50.00 plus \$1.00 per kilowatt of the customergenerator facility's [capacity] /nameplate rating/ export capacity, [plus] or any alternative value established by Board order. In addition to the initial application fee, the EDC may charge the applicant for the cost of any minor modifications to the electric distribution system or additional review, if required [under] pursuant to N.J.A.C. 14:8-5.5[(o)3 or 4]. Costs for such minor modifications or additional review shall be based on EDC estimates and shall be subject to case-by-case review by the Board, or its designee. [Costs for] The EDC shall bill an applicant only for the actual costs, including reasonable overhead, of engineering work done as part of any additional review [shall not exceed \$100.00 per hour]. An application shall not be deemed complete until the EDC receives the initial application fee.

1. (No change from proposal.)

(c) For a level 3 interconnection review, the EDC may charge initial application fees of up to \$100.00 plus [\$2.00] **\$10.00** per kilowatt of the customer-generator facility's [capacity, as well as charges] /nameplate rating/ export capacity, with a maximum of \$10,000 or other value as determined by Board order. In addition to the initial application fee, the EDC may charge the applicant for actual time spent on any impact and/or facilities studies required [under] pursuant to N.J.A.C. 14:8-5.6. [Costs for] The EDC shall bill an applicant only for the actual costs, including reasonable overhead, of engineering work done as part of a system impact study or facilities study [shall not exceed \$100.00 per hour]. If the EDC must install facilities in order to accommodate the interconnection of the customer-generator facility, the cost of such facilities shall be the responsibility of the applicant. An application shall not be deemed complete until the initial application fee is received.

1. (No change from proposal.)

(d)-(e) (No change from proposal.)

(f) Notwithstanding anything in this section to the contrary, an EDC shall adjust the size of the application and PAVE fees assessed pursuant to this section, as necessary, to ensure recovery of the prudently incurred costs of developing and implementing the CIAP application portal from applicants within the five-year period specified at N.J.A.C. 14:8-5.2(n). All adjustments to fees made pursuant to this subsection shall take the form of a uniform percentage increase or decrease to all level 1, 2, and

3 interconnection application fees, the maximum level 3 interconnection application fee, and PAVE fees (for example, a 50 percent increase in all level 1, 2, and 3 interconnection application fees, the maximum level 3 interconnection application fee, and PAVE fees). An EDC shall change its application and PAVE fee levels to match the amounts specified at (a), (b), and (c) above, as they may be adjusted by any applicable Board order, once the EDC has recovered the prudently incurred costs of developing and implementing its CIAP application portal. After the CIAP has been implemented, EDCs will recover the prudently incurred costs of operating the CIAP through developer application fees.

14:8-5.8 Testing, maintenance, and inspection after interconnection approval

(a) (No change from proposal.)

(b) When a customer-generator facility approved through a level 2 or level 3 review undergoes maintenance or testing in accordance with the requirements of this subchapter, the customer-generator shall retain written records documenting the maintenance and the results of testing, *in compliance with IEEE Standard 1547*, for three calendar years. No recordkeeping is required for maintenance or testing performed on a customer-generator facility approved through a level 1 review.

(c)-(d) (No change from proposal.)

14:8-5.11 Hosting capacity maps

(a) By (/120) 240 days of the effective date of this rulemaking), each EDC shall make a tariff filing to implement a common hosting capacity mapping process to aid applicants. Hosting capacity maps shall indicate locations on each EDC's distribution system with spare capacity and locations which are likely to require additional upgrades if a customer-generator facility interconnects there.

(b) An EDC shall post distribution system hosting capacity maps on its website, update them at least once every quarter, *or other time interval as indicated by Board order*, and include both circuit and substation level data in the maps. The available hosting capacity values for each circuit shall be calculated using common methodology and presented in a consistent manner across all EDCs' websites. An EDC shall post a written summary of all significant changes to hosting capacity maps on its website and simultaneously distribute them to a subscriber email listserv at least once every quarter. Each EDC shall clearly label its maps with detailed legends explaining what the data means and ensure its map legends use a nomenclature common to all EDCs.

(c) To the greatest extent permitted pursuant to the North American Electric Reliability Council standards, applicable Federal and State laws, rules, and regulations, and internal EDC physical and cybersecurity policies, all hosting capacity maps shall be integrated with GIS systems, visually present all system data for substations, feeders, and related distribution assets, and allow potential applicants to easily determine, based on an entered street address, the following information:

1. (No change from proposal.)

2. A recommended and maximum amount of additional export capable generating capacity, defined as the maximum amount of power customer-generator facilities can export, after accounting for any non-exporting technology, that can be accommodated on each nearby open circuit without violating any reliability criteria, including, but not limited to, thermal, steady-state voltage, voltage fluctuation, and voltage protection criteria; and maximum amount of additional import capacity, defined as the maximum amount of additional power demand that can be accommodated on any given circuit(s);

3.-9. (No change from proposal.) (d) (No change from proposal.)

14:8-5.13 Common Interconnection Application Process (CIAP)

(a) All EDCs shall enter into a joint contract to retain a third-party developer of a CIAP. The contract shall be competitively bid to ensure the most efficient and cost competitive price and highest level of consistent functionality to ensure a common experience for customergenerator applicants regardless of which EDC's service territory into which they request interconnection.

1. The developer shall be independent of any electricity supplier or EDC that may submit interconnection applications pursuant to this subchapter, and any affiliate, investor, and/or employee thereof of the foregoing entities.

(b) The developer shall develop a CIAP web and mobile platform that retains commonality between EDCs while minimizing software infrastructure investments by recognizing and accommodating any existing software, web, or mobile capabilities.

(c) The total cost of the implementation of the CIAP web and mobile platforms across all EDCs shall be allocated pro rata to each EDC, based on each EDC's share of total annual New Jersey load. The EDCs shall recover the costs in accordance with N.J.A.C. 14:8-5.7(f).

(d) Each EDC's CIAP web and mobile platform shall meet the following core functional requirements, which may be amended through a Board order:

1. CIAP configuration.

i. Platform type-the CIAP shall be hosted and operated on a secure web-based platform with an integrated data base as well as a web and mobile device user interface;

ii. User account-the platform shall allow individual applicants to access all relevant application data and process steps related to one or more user specific applications under a single secure account compilation view; and

iii. Notification and messaging-the platform shall provide for automated messaging of key events and milestones, and permit users to opt in or out of email, text, or phone call notifications.

2. Authentication/access.

i. The CIAP web and mobile platform shall have a user authentication system that has multifactor authentication, secure login protocols, and any other authentication functionality consistent with generally accepted cybersecurity best practices;

ii. The CLAP web and mobile platform must have functionality to assign role-based access to various levels of functionalities to ensure data security and appropriate access;

iii. The CIAP web and mobile platform must support secure file viewing and transfer, including both applicant submissions of multiple file types including, but not limited to: PDF, CSV, Word documents, and Excel files and downloadable EDC postings of all reports, authorizations, and other process documents; and

iv. The CIAP web and mobile platform must implement functionality to ensure data confidentiality, integrity, and accessibility within a data privacy, security, and risk assessment framework.

3. System reliability/availability.

i. The CIAP web platform shall have an uptime of no less than 99 percent during weekday business hours (8:00 A.M. through 8:00 P.M. EST) as consistent with best commercial practices; and

ii. An administrator page shall be available for public view with metrics of portal uptime, as reported on a quarterly basis.

4. Workflow Management.

i. Timestamp-the CIAP web platform shall record all key workflow handoff points with a date and time stamp to document the completion of the workflow step. At a minimum, the time at which each of the following workflow steps were completed shall be recorded with timestamps:

(1) Request for PAVE report (if applicable);

(2) Initial application submission;

(3) Accepted application;

(4) Part 1 interconnection agreement signed/completed;

(5) System impact study completed;

(6) Customer fees received;

(7) Facilities study completed;

(8) System upgrade estimate completed;

(9) Upgrade agreement signed;

(10) Certification inspection completed;

(11) Part 2 interconnection agreement signed/completed;

(12) EDC overpayment refunds (if applicable);

(13) Dispute petition filed (if applicable); and

(14) Dispute disposition filed (if applicable);

ii. The CIAP web and mobile platform shall enable users to track and process payments at various stages of the interconnection process and must provide updates to users on the following payment status:

(1) Applicant fees outstanding, with due and overdue dates;

(2) Applicant payments credited; and

(3) EDC refunds/overpayments credited;

iii. Data validation.

(1) The CIAP web and mobile platform shall utilize data validation to minimize erroneous and incomplete interconnection applications, to determine whether submitted applications are complete; and

iv. Progress/status reporting.

(1) The CIAP web platform shall provide a visual progress indicator for each application to indicate relative position along the interconnection application process;

(2) The CIAP web platform shall generate automatic email, text, and online notifications to the customer to facilitate and enforce clearly defined tariff timelines, and reduce the turnaround time for missing data elements; and

(3) The CIAP web platform shall allow applicants to opt in or out of receiving all pushed notifications.

OTHER AGENCIES

(a)

PUBLIC EMPLOYMENT RELATIONS COMMISSION Representation Procedures

Notice of Proposed Substantial Changes Upon Adoption to Proposed Readoption with Amendments: N.J.A.C. 19:11

Proposed: January 21, 2025, at 57 N.J.R. 180(a). Authorized By: Public Employment Relations Commission, Mary E. Hennessy-Shotter, Chair.

Authority: N.J.S.A. 34:13A-5.4.e, 34:13A-6.d, and 34:13A-11.

Submit written comments by September 5, 2025, to: Mary E. Hennessy-Shotter, Chair Public Employment Relations Commission

PO Box 429

Trenton, New Jersey 08625-0429

Comments may also be submitted through email to <u>rulecomments@</u> <u>perc.nj.gov</u> or by facsimile to 609-777-0089.

Take notice that the Public Employment Relations Commission (Commission) proposed the readoption of N.J.A.C. 19:11 with amendments on January 21, 2025 at 57 N.J.R. 180(a). The proposed amendments changed multiple filing rules to require that fewer copies of certain forms and briefs be submitted to the Commission. The proposed amendments also added email addresses and telephone numbers to the list of required contact information for certain petitions. The public comment period closed on March 22, 2025. The Commission discussed the public comments during its April 24, 2025 regular meeting and decided to make some substantial changes to the proposal, which were considered and approved at its May 29, 2025 regular meeting.

The Commission is proposing substantial changes to the notice of proposal in response to comments received. A summary of the comments received and the Commission's responses are provided below.

Summary of Public Comments and Agency Responses:

Comments were received from Charles Wowkanech, President, New Jersey State AFL-CIO.

Comments Regarding N.J.A.C. 19:11-1.5

COMMENT: The AFL-CIO seeks to add new N.J.A.C. 19:11-1.5(c) that incorporates the statutory language from N.J.S.A. 34:13A-5.15c concerning a public employer's responsibility to provide, every 120 days, an exclusive representative employee organization with certain information (name, job title, worksite location, work email, and work phone number) for all employees not represented by an exclusive

representative employee organization. The proposal also seeks to include the requirement from N.J.S.A. 34:13A-5.15.c that a public employer provide an exclusive representative employee organization with a job description for each non-represented employee within 30 days of a request.

RESPONSE: As knowledge of which employees are represented and which employees are unrepresented is pertinent to an exclusive representative's decision to file a clarification of unit petition, the Commission finds that a summary of the disclosure requirements at N.J.S.A. 34:13A-5.15.c (unrepresented employees) and 34:13A-5.13.c (represented employees) within the clarification of unit rules could be helpful for parties navigating the statutory and regulatory requirements related to clarification of unit disputes. However, the AFL-CIO's proposal to include the language from N.J.S.A. 34:13A-5.15.c, without the corresponding limiting language at N.J.S.A. 34:13A-60.1, does not accurately represent the act, as amended by the Responsible Collective Negotiations Act (RCNA), P.L. 2021, c. 11. The RCNA amended the Workplace Democracy Enhancement Act (WDEA), P.L. 2018, c. 15, in part, by adding the non-represented disclosure requirements codified at N.J.S.A. 34:13A-5.15.c. The RCNA also provided, at N.J.S.A. 34:13A-60.1, that amended N.J.S.A. 34:13A-5.15.c "shall not apply" to the following excluded entities: counties and municipalities (and their authorities, commissions, boards, or other instrumentalities); State colleges and universities; county colleges; Rutgers University; and the New Jersey Institute of Technology. Therefore, the Commission's recitation of the statutory disclosure requirements will incorporate the excluded entities as set forth at N.J.S.A. 34:13A-60.1. This change will be placed at the beginning of the clarification of unit rules at N.J.A.C. 19:11-1.5(a).

COMMENT: The AFL-CIO seeks to add new N.J.A.C. 19:11-1.5(d) that incorporates the statutory language from N.J.S.A. 34:13A-5.15.d concerning the inclusion of employees who perform negotiations unit work, but had not been in a negotiations unit due to not meeting the threshold of hours or percent of time worked as set forth in a certification of representative or collective negotiations agreement.

RESPONSE: The Commission finds that adding this one particular statutory provision concerning a subset of negotiations unit employees is unnecessary given the current clarification of unit rules and could cause confusion. N.J.A.C. 19:11-1.5(b)3vi (which will be recodified through this notice as N.J.A.C. 19:11-1.5(c)3vi) already covers clarification of unit petitions concerning the addition of employees "who perform negotiations unit work." This type of petition, therefore, includes employees who perform negotiations unit work as required pursuant to N.J.S.A. 34:13A-5.15.a, defined at N.J.S.A. 34:13A-5.15.b, and as further explicated at N.J.S.A. 34:13A-5.15.d for employees who do not meet certain hour or percent thresholds. By not including the broader statutory requirement for inclusion of employees who perform negotiations unit work and only amending the rules to include statutory language about a subset of those employees, the AFL-CIO's proposal could lead to unnecessary confusion. As existing N.J.A.C. 19:11-1.5(b)3vi sufficiently covers clarification of unit petitions based on the performance of negotiations unit work, the Commission declines to change the rules to specifically incorporate the language at N.J.S.A. 34:13A-5.15.d.

COMMENT: The AFL-CIO seeks to add new N.J.A.C. 19:11-1.5(e) that would create a new obligation on a public employer to provide written notice to the exclusive representative if it "believes that an employee in a non-supervisory negotiations unit is a supervisor within the meaning of the Act ..." Then, the AFL-CIO proposes, if the exclusive representative does not consent within 60 days to exclude the employee as a supervisor, the employer may file a clarification of unit petition and the employee "shall remain in the negotiations unit pending a decision of the Director of Representation." The AFL-CIO's proposal would also make it an unfair practice for a public employer to fail to comply with the requirements of this new rule. The AFL-CIO cites a Commission case in support of its proposed amendment, asserting that the amendment would incorporate the holding in that case that supervisors may only be removed from their current unit with the consent of the exclusive representative or pursuant to a Commission order.