

TECHNICAL REVIEW OF BILL:	No
COMMITTEE STATEMENT:	
ASSEMBLY:	Yes
SENATE:	No

(Audio archived recordings of the committee meetings, corresponding to the date of the committee statement, *may possibly* be found at www.njleg.state.nj.us)

FLOOR AMENDMENT STATEMENT:	No
LEGISLATIVE FISCAL ESTIMATE:	No
VETO MESSAGE:	No
GOVERNOR'S PRESS RELEASE ON SIGNING:	Yes
LEGISLATOR STATEMENT:	No

FOLLOWING WERE PRINTED:

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CL/MMcB

P.L. 2025, CHAPTER 7, *approved January 30, 2025*
Senate, No. 3308 (*Second Reprint*)

1 AN ACT concerning certain grid supply solar facilities ²and energy
2 storage facilities² and supplementing Title 48 of the Revised
3 Statutes.

4
5 **BE IT ENACTED** by the Senate and General Assembly of the State
6 of New Jersey:

7
8 1. a. As used in this section:

9 "Board" means the Board of Public Utilities.

10 "Class I renewable energy" means the same as the term is
11 defined in section 3 of P.L.1999, c.23 (C.48:3-51).

12 "Electric public utility" means the same as the term is defined in
13 section 3 of P.L.1999, c.23 (C.48:3-51).

14 "Electric transmission or distribution system" means the
15 intrastate electric power grid, maintained by an applicable electric
16 public utility in the State that is subject to the jurisdiction of the
17 board.

18 ²"Energy storage facility" means a facility that is capable of
19 absorbing energy from the grid or from a Class I renewable energy
20 facility; storing it for a period of time using mechanical, chemical,
21 or thermal processes; and, thereafter, discharging the energy back to
22 the grid or directly to an energy using system to reduce the use of
23 power from the grid.

24 "Grid services compensation" means any payment to a Class I
25 renewable energy facility or energy storage facility for providing
26 services that support or enhance the functioning or the capabilities
27 of the electric transmission or distribution system made pursuant to
28 terms established by board orders or rules and regulations.²

29 "Grid supply solar facility" means the same as the term is
30 defined in section 3 of P.L.1999, c.23 (C.48:3-51).

31 "Interconnection facilities" means dedicated electric facilities
32 between a renewable energy generator or renewable energy
33 generating facility and the electric transmission or distribution
34 system, including any modification, additions, or upgrades that are
35 necessary to physically and safely interconnect the renewable
36 energy generator or renewable energy generating facility to the
37 electric distribution or transmission system. "Interconnection

EXPLANATION – Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹**Senate floor amendments adopted June 28, 2024.**

²**Assembly ATU committee amendments adopted December 9, 2024.**

1 facilities" does not include electric distribution lines that are used to
2 deliver electricity to end-use customers.

3 "Level 3 interconnection application process" means the
4 procedure, criteria, and protocols established for applications to
5 connect renewable energy generation facilities to the transmission
6 and distribution system that are greater than two megawatts in size
7 ²],² or that do not meet certain certification requirements, as
8 developed by the board pursuant to P.L.1999, c.23 (C.48:3-49 et
9 al.).

10 "PJM Interconnection, L.L.C." or "PJM" means the same as the
11 term is defined in section 3 of P.L.1999, c.23 (C.48:3-51).

12 "Renewable energy certificate" or "REC" means the same as the
13 term is defined in section 3 of P.L.1999, c.23 (C.48:3-51).

14 "State incentives" means Class I RECs, SRECs, SREC-IIs,
15 TRECs, or any other ²],² State renewable energy
16 certificate, ²as well as any other applicable State² credit, or
17 incentive ²for solar energy production facilities or energy storage
18 facilities².

19 "State incentive program" means any State incentive program
20 whereby solar energy production facilities are eligible to receive
21 ²], State² incentives.

22 "Solar renewable energy certificate" or "SREC" means the same
23 as the term is defined in section 3 of P.L.1999, c.23 (C.48:3-51).

24 "Solar renewable energy ²], certificate II² " or
25 "SREC-II" means the same as the term is defined in section 3 of
26 P.L.1999, c.23 (C.48:3-51).

27 b. Notwithstanding the provisions of P.L.1999, c.23 (C.48:3-49
28 et al.), P.L.2021, c.169 (C.48:3-114 et al.), or any other law, rule,
29 regulation, or order to the contrary, each electric public utility shall
30 accept, process, and approve any Level 3 interconnection
31 application for interconnection to that electric public utility's
32 electric distribution or transmission system for any grid supply solar
33 facility ²or energy storage facility² with a capacity of 20 megawatts
34 or less, measured in alternating current, unless the utility: (1) finds
35 the application to be incomplete, based on application criteria and
36 protocols developed by the utility ²that are consistent with any
37 applicable board orders and rules and regulations²; or (2) deems the
38 interconnection to be unsafe or a risk to the stability ¹, reliability, or
39 power quality¹ of the utility's electric distribution or transmission
40 system. If an electric public utility determines that the application
41 is incomplete in accordance with (1) above, then the electric public
42 utility, in response to the application, shall provide
43 recommendations to the applicant as to how to modify the
44 application to make it complete for review. If, after receipt of a
45 complete application, an electric public utility determines that the
46 proposed interconnection is unsafe or a risk to the stability ¹,
47 reliability, or power quality¹ of the utility's electric distribution or

1 transmission system in accordance with (2) above, then the electric
2 public utility, in response to the application, shall provide
3 recommendations to the applicant as to how to reconfigure, adjust,
4 downsize, or otherwise modify the proposed grid supply solar
5 facility ², energy storage facility, or point of interconnection² so
6 that it is not unsafe or a risk to the stability ¹, reliability, or power
7 quality¹ of the utility's electric distribution or transmission system
8 and allow the applicant to resubmit following such modifications.

9 c. An electric public utility shall timely process any complete
10 interconnection applications received pursuant to this section in
11 accordance with the electric public utility's Level 3 interconnection
12 application process and its applicable tariff. ²An electric public
13 utility shall not unreasonably delay the processing of any complete
14 interconnection application and shall provide an initial feasibility
15 study for the applicant's review within 90 days of a complete
16 interconnection application.²

17 d. A grid supply solar facility ²or energy storage facility² for
18 which ¹**[a]** an¹ application is submitted pursuant to this section
19 shall be permitted to interconnect to the electric public utility's
20 transmission or distribution system in the State, provided that (1)
21 the owner or developer of the grid supply solar facility ²or energy
22 storage facility² complies with the electric public utility's
23 applicable tariff and Level 3 interconnection application process,
24 and (2) the owner or developer of the grid supply solar facility ²or
25 energy storage facility² agrees to pay all required interconnection
26 costs as identified by the electric public utility.

27 e. ¹**[A** grid supply solar facility that is connected to the electric
28 transmission or distribution system pursuant to this section shall be
29 compensated for the electricity supplied by the facility by the
30 applicable electric public utility, on a real-time basis, based on the
31 point of interconnection.

32 **f.]¹ ²A grid supply solar facility that is connected to the electric
33 transmission or distribution system pursuant to this section shall be
34 compensated for the electricity supplied by the facility by the
35 applicable electric public utility, on a real-time basis, based on the
36 point of interconnection. If any such transaction between a grid
37 supply solar facility and an electric public utility qualifies as a sale
38 of electric energy at wholesale in interstate commerce under Section
39 201 of the "Federal Power Act" (16 U.S.C. s.824), any
40 compensation provided by the electric public utility to the grid
41 supply solar facility for the facility's electric energy shall be
42 consistent with the requirements of the "Public Utility Regulatory
43 Policies Act of 1978" (16 U.S.C. s.2601 et seq.) and its
44 implementing regulations. Notwithstanding the foregoing, any grid
45 supply solar facility that is connected to the electric transmission or
46 distribution system pursuant to this section shall utilize
47 commercially reasonable efforts to obtain access to the PJM**

1 wholesale market as soon as reasonably practicable following
 2 commercial operation.

3 f.² An electric public utility shall, upon application by the owner
 4 ², developer,² or operator of a grid supply solar facility ²or energy
 5 storage facility², extend interconnection facilities ²[, at the sole cost
 6 and expense of the applicant,]² to the applicable grid supply solar
 7 facility ²or energy storage facility, utilizing the electric public
 8 utility's existing infrastructure, including, but not limited to, the
 9 electric public utility's poles and rights of way, to the maximum
 10 extent practicable² so that such facility may be connected to the
 11 electric distribution system ²[¹, unless a board order issued after the
 12 effective date of this section modifies the interconnection cost
 13 allocation methodology, in which case the applicant shall abide by
 14 the modified methodology¹]. Such line extensions or upgrades shall
 15 be at the sole cost and expense of the applicant, unless a board order
 16 issued after the effective date of this section modifies the
 17 interconnection cost allocation methodology, in which case the
 18 applicant shall abide by the modified methodology.² Any applicant
 19 for such an extension shall comply with the electric public utility's
 20 standard interconnection application process ², except that the
 21 electric public utility shall specifically make available to the
 22 applicant the electric public utility's existing infrastructure,
 23 including, but not limited to, the electric public utility's poles and
 24 rights of way, to the maximum extent practicable to facilitate the
 25 interconnection². Any such interconnection facilities shall conform
 26 to applicable electric code construction standards, electric public
 27 utility construction standards, and any other applicable safety
 28 standards or code requirements. Each electric public utility shall
 29 use commercially reasonable efforts to work collaboratively with
 30 solar energy generators ²and energy storage facility operators² to
 31 develop new construction standards where needed such that any line
 32 extensions do not adversely affect the safe and reliable operation of
 33 the electric distribution system.

34 ¹[g.] ²[f.¹] g.² A grid supply solar facility ²or energy storage
 35 facility² that is connected to the electric transmission or distribution
 36 system pursuant to this section shall be fully eligible ²[for] to
 37 receive² any applicable State incentives, provided that the facility
 38 obtains the board's approval for participation in the State incentive
 39 program ²or for grid services compensation².

40 ¹[h.] ²[g.¹] h.² No later than ²[120] 210² days after the
 41 effective date of ²[this act] P.L. , c. (C.) (pending before
 42 the Legislature as this bill)², the board shall adopt, pursuant to the
 43 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et
 44 seq.), rules and regulations as necessary for implementing the
 45 provisions of this section, which shall be based on existing rules
 46 located at ²[N.J.A.C.14:3-8.1 et seq] N.J.A.C.14:8-5.1 et. seq. The

1 board may satisfy the requirements of this subsection by adopting
2 rules and regulations it proposed prior to the effective date of
3 P.L. , c. (C.) (pending before the Legislature as this bill),
4 provided such proposed rules and regulations are substantially
5 compliant with the provisions of P.L. , c. (C.) (pending
6 before the Legislature as this bill). Notwithstanding any provision
7 of the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-
8 1 et seq.), to the contrary, the board may also make any changes to
9 any proposed rules and regulations upon adoption that are necessary
10 to implement the provisions of P.L. , c. (C.) (pending
11 before the Legislature as this bill) without filing a new notice of
12 proposal or following the procedures prescribed in section 1 of
13 P.L.2011, c.33 (C.52:14B-4.10)².

14

15 2. This act shall take effect immediately.

16

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18

19

20 Requires electric public utilities to implement certain
21 improvements to interconnection process for certain grid supply
22 solar facilities and energy storage facilities.

CHAPTER 7

AN ACT concerning certain grid supply solar facilities and energy storage facilities and supplementing Title 48 of the Revised Statutes.

BE IT ENACTED *by the Senate and General Assembly of the State of New Jersey:*

C.48:3-121.1 Definitions.

1. a. As used in this section:

"Board" means the Board of Public Utilities.

"Class I renewable energy" means the same as the term is defined in section 3 of P.L.1999, c.23 (C.48:3-51).

"Electric public utility" means the same as the term is defined in section 3 of P.L.1999, c.23 (C.48:3-51).

"Electric transmission or distribution system" means the intrastate electric power grid, maintained by an applicable electric public utility in the State that is subject to the jurisdiction of the board.

"Energy storage facility" means a facility that is capable of absorbing energy from the grid or from a Class I renewable energy facility; storing it for a period of time using mechanical, chemical, or thermal processes; and, thereafter, discharging the energy back to the grid or directly to an energy using system to reduce the use of power from the grid.

"Grid services compensation" means any payment to a Class I renewable energy facility or energy storage facility for providing services that support or enhance the functioning or the capabilities of the electric transmission or distribution system made pursuant to terms established by board orders or rules and regulations.

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

"Interconnection facilities" means dedicated electric facilities between a renewable energy generator or renewable energy generating facility and the electric transmission or distribution system, including any modification, additions, or upgrades that are necessary to physically and safely interconnect the renewable energy generator or renewable energy generating facility to the electric distribution or transmission system. "Interconnection facilities" does not include electric distribution lines that are used to deliver electricity to end-use customers.

"Level 3 interconnection application process" means the procedure, criteria, and protocols established for applications to connect renewable energy generation facilities to the transmission and distribution system that are greater than two megawatts in size or that do not meet certain certification requirements, as developed by the board pursuant to P.L.1999, c.23 (C.48:3-49 et al.).

"PJM Interconnection, L.L.C." or "PJM" means the same as the term is defined in section 3 of P.L.1999, c.23 (C.48:3-51).

"Renewable energy certificate" or "REC" means the same as the term is defined in section 3 of P.L.1999, c.23 (C.48:3-51).

"State incentives" means Class I RECs, SRECs, SREC-IIs, TRECs, or any other State renewable energy certificate, as well as any other applicable State credit, or incentive for solar energy production facilities or energy storage facilities.

"State incentive program" means any State incentive program whereby solar energy production facilities are eligible to receive State incentives.

"Solar renewable energy certificate" or "SREC" means the same as the term is defined in section 3 of P.L.1999, c.23 (C.48:3-51).

"Solar renewable energy certificate II" or "SREC-II" means the same as the term is defined in section 3 of P.L.1999, c.23 (C.48:3-51).

b. Notwithstanding the provisions of P.L.1999, c.23 (C.48:3-49 et al.), P.L.2021, c.169 (C.48:3-114 et al.), or any other law, rule, regulation, or order to the contrary, each electric public utility shall accept, process, and approve any Level 3 interconnection application for interconnection to that electric public utility'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, unless the utility: (1) 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 rules and regulations; or (2) deems the interconnection to be unsafe or a risk to the stability, reliability, or power quality of the utility's electric distribution or transmission system. If an electric public utility determines that the application is incomplete in accordance with (1) above, then the electric public utility, 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 electric public utility 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 (2) above, then the electric public utility, 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 utility's electric distribution or transmission system and allow the applicant to resubmit following such modifications.

c. An electric public utility shall timely process any complete interconnection applications received pursuant to this section in accordance with the electric public utility's Level 3 interconnection application process and its applicable tariff. An electric public utility shall not unreasonably delay the processing of any complete interconnection application and shall provide an initial feasibility study for the applicant's review within 90 days of a complete interconnection application.

d. A grid supply solar facility or energy storage facility for which an application is submitted pursuant to this section shall be permitted to interconnect to the electric public utility's transmission or distribution system in the State, provided that (1) the owner or developer of the grid supply solar facility or energy storage facility complies with the electric public utility's applicable tariff and Level 3 interconnection application process, and (2) the owner or developer of the grid supply solar facility or energy storage facility agrees to pay all required interconnection costs as identified by the electric public utility.

e. A grid supply solar facility that is connected to the electric transmission or distribution system pursuant to this section shall be compensated for the electricity supplied by the facility by the applicable electric public utility, on a real-time basis, based on the point of interconnection. If any such transaction between a grid supply solar facility and an electric public utility qualifies as a sale of electric energy at wholesale in interstate commerce under Section 201 of the "Federal Power Act" (16 U.S.C. s.824), any compensation provided by the electric public utility to the grid supply solar facility for the facility's electric energy shall be consistent with the requirements of the "Public Utility Regulatory Policies Act of 1978" (16 U.S.C. s.2601 et seq.) and its implementing regulations. Notwithstanding the foregoing, any grid supply solar facility that is connected to the electric transmission or distribution system pursuant to this section shall utilize commercially reasonable efforts to obtain access to the PJM wholesale market as soon as reasonably practicable following commercial operation.

f. An electric public utility shall, upon application by the owner, developer, or operator of a grid supply solar facility or energy storage facility, extend interconnection facilities to the applicable grid supply solar facility or energy storage facility, utilizing the electric public utility's existing infrastructure, including, but not limited to, the electric public utility's poles and rights of way, to the maximum extent practicable so that such facility may be connected to the electric distribution system. Such line extensions or upgrades shall be at the sole cost and expense of the applicant, unless a board order issued after the effective date of this section modifies the interconnection cost allocation methodology, in which case the applicant shall abide by the modified methodology. Any applicant for such an extension shall comply with the electric public utility's standard interconnection application process, except that the electric public utility shall specifically make available to the applicant the electric public utility's existing infrastructure, including, but not limited to, the electric public utility's poles and rights of way, to the maximum extent practicable to facilitate the interconnection. Any such interconnection facilities shall conform to applicable electric code construction standards, electric public utility construction standards, and any other applicable safety standards or code requirements. Each electric public utility shall use commercially reasonable efforts to work collaboratively with solar energy generators and energy storage facility operators to develop new construction standards where needed such that any line extensions do not adversely affect the safe and reliable operation of the electric distribution system.

g. A grid supply solar facility or energy storage facility that is connected to the electric transmission or distribution system pursuant to this section shall be fully eligible to receive any applicable State incentives, provided that the facility obtains the board's approval for participation in the State incentive program or for grid services compensation.

h. No later than 210 days after the effective date of P.L.2025, c.7 (C.48:3-121.1), the board shall adopt, pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), rules and regulations as necessary for implementing the provisions of this section, which shall be based on existing rules located at N.J.A.C.14:8-5.1 et. seq. The board may satisfy the requirements of this subsection by adopting rules and regulations it proposed prior to the effective date of P.L.2025, c.7 (C.48:3-121.1), provided such proposed rules and regulations are substantially compliant with the provisions of P.L.2025, c.7 (C.48:3-121.1). Notwithstanding any provision of the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), to the contrary, the board may also make any changes to any proposed rules and regulations upon adoption that are necessary to implement the provisions of P.L.2025, c.7 (C.48:3-121.1) without filing a new notice of proposal or following the procedures prescribed in section 1 of P.L.2011, c.33 (C.52:14B-4.10).

2. This act shall take effect immediately.

Approved January 30, 2025.

SENATE, No. 3308

STATE OF NEW JERSEY
221st LEGISLATURE

INTRODUCED MAY 20, 2024

Sponsored by:

Senator NICHOLAS P. SCUTARI

District 22 (Somerset and Union)

Senator LINDA R. GREENSTEIN

District 14 (Mercer and Middlesex)

SYNOPSIS

Requires electric public utilities to implement certain improvements to the interconnection process for certain grid supply solar facilities.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 6/13/2024)

1 AN ACT concerning certain grid supply solar facilities and
2 supplementing Title 48 of the Revised Statutes.

3

4 **BE IT ENACTED** by the Senate and General Assembly of the State
5 of New Jersey:

6

7 1. a. As used in this section:

8 "Board" means the Board of Public Utilities.

9 "Class I renewable energy " means the same as the term is
10 defined in section 3 of P.L.1999, c.23 (C.48:3-51).

11 "Electric public utility" means the same as the term is defined in
12 section 3 of P.L.1999, c.23 (C.48:3-51).

13 "Electric transmission or distribution system" means the
14 intrastate electric power grid, maintained by an applicable electric
15 public utility in the State that is subject to the jurisdiction of the
16 board.

17 "Grid supply solar facility" means the same as the term is
18 defined in section 3 of P.L.1999, c.23 (C.48:3-51).

19 "Interconnection facilities" means dedicated electric facilities
20 between a renewable energy generator or renewable energy
21 generating facility and the electric transmission or distribution
22 system, including any modification, additions, or upgrades that are
23 necessary to physically and safely interconnect the renewable
24 energy generator or renewable energy generating facility to the
25 electric distribution or transmission system. "Interconnection
26 facilities" does not include electric distribution lines that are used to
27 deliver electricity to end-use customers.

28 "Level 3 interconnection application process" means the
29 procedure, criteria, and protocols established for applications to
30 connect renewable energy generation facilities to the transmission
31 and distribution system that are greater than two megawatts in size,
32 or that do not meet certain certification requirements, as developed
33 by the board pursuant to P.L.1999, c.23 (C.48:3-49 et al.).

34 "PJM Interconnection, L.L.C." or "PJM" means the same as the
35 term is defined in section 3 of P.L.1999, c.23 (C.48:3-51).

36 "Renewable energy certificate" or "REC" means the same as the
37 term is defined in section 3 of P.L.1999, c.23 (C.48:3-51).

38 "State incentives" means Class I RECs, SRECs, SREC-IIs,
39 TRECs, or any other applicable State renewable energy certificate,
40 credit, or incentive.

41 "State incentive program" means any State incentive program
42 whereby solar energy production facilities are eligible to receive
43 state incentives.

44 "Solar renewable energy certificate" or "SREC" means the same
45 as the term is defined in section 3 of P.L.1999, c.23 (C.48:3-51).

46 "Solar renewable energy certificate-II" or "SREC-II" means the
47 same as the term is defined in section 3 of P.L.1999, c.23 (C.48:3-
48 51).

1 b. Notwithstanding the provisions of P.L.1999, c.23 (C.48:3-49
2 et al.), P.L.2021, c.169 (C.48:3-114 et al.), or any other law, rule,
3 regulation, or order to the contrary, each electric public utility shall
4 accept, process, and approve any Level 3 interconnection
5 application for interconnection to that electric public utility's
6 electric distribution or transmission system for any grid supply solar
7 facility with a capacity of 20 megawatts or less, measured in
8 alternating current, unless the utility: (1) finds the application to be
9 incomplete, based on application criteria and protocols developed
10 by the utility; or (2) deems the interconnection to be unsafe or a risk
11 to the stability of the utility's electric distribution or transmission
12 system. If an electric public utility determines that the application
13 is incomplete in accordance with (1) above, then the electric public
14 utility, in response to the application, shall provide
15 recommendations to the applicant as to how to modify the
16 application to make it complete for review. If, after receipt of a
17 complete application, an electric public utility determines that the
18 proposed interconnection is unsafe or a risk to the stability of the
19 utility's electric distribution or transmission system in accordance
20 with (2) above, then the electric public utility, in response to the
21 application, shall provide recommendations to the applicant as to
22 how to reconfigure, adjust, downsize, or otherwise modify the
23 proposed grid supply solar facility so that it is not unsafe or a risk to
24 the stability of the utility's electric distribution or transmission
25 system and allow the applicant to resubmit following such
26 modifications.

27 c. An electric public utility shall timely process any complete
28 interconnection applications received pursuant to this section in
29 accordance with the electric public utility's Level 3 interconnection
30 application process and its applicable tariff.

31 d. A grid supply solar facility for which a application is
32 submitted pursuant to this section shall be permitted to interconnect
33 to the electric public utility's transmission or distribution system in
34 the State, provided that (1) the owner or developer of the grid
35 supply solar facility complies with the electric public utility's
36 applicable tariff and Level 3 interconnection application process,
37 and (2) the owner or developer of the grid supply solar facility
38 agrees to pay all required interconnection costs as identified by the
39 electric public utility.

40 e. A grid supply solar facility that is connected to the electric
41 transmission or distribution system pursuant to this section shall be
42 compensated for the electricity supplied by the facility by the
43 applicable electric public utility, on a real-time basis, based on the
44 point of interconnection.

45 f. An electric public utility shall, upon application by the owner
46 or operator of a grid supply solar facility, extend interconnection
47 facilities, at the sole cost and expense of the applicant, to the
48 applicable grid supply solar facility so that such facility may be

1 connected to the electric distribution system. Any applicant for
2 such an extension shall comply with the electric public utility's
3 standard interconnection application process. Any such
4 interconnection facilities shall conform to applicable electric code
5 construction standards, electric public utility construction standards,
6 and any other applicable safety standards or code requirements.
7 Each electric public utility shall use commercially reasonable
8 efforts to work collaboratively with solar energy generators to
9 develop new construction standards where needed such that any line
10 extensions do not adversely affect the safe and reliable operation of
11 the electric distribution system.

12 g. A grid supply solar facility that is connected to the electric
13 transmission or distribution system pursuant to this section shall be
14 fully eligible for any applicable State incentives, provided that the
15 facility obtains the board's approval for participation in the State
16 incentive program.

17 h. No later than 120 days after the effective date of this act, the
18 board shall adopt, pursuant to the "Administrative Procedure Act,"
19 P.L.1968, c.410 (C.52:14B-1 et seq.), rules and regulations as
20 necessary for implementing the provisions of this section, which
21 shall be based on existing rules located at N.J.A.C.14:3-8.1 et seq.

22

23 2. This act shall take effect immediately.

24

25

26

STATEMENT

27

28 This bill would require each electric public utility in the State to
29 accept, process, and approve applications for interconnection to that
30 electric public utility's electric distribution or transmission system
31 for any grid supply solar facility with a capacity of 20 megawatts or
32 less, unless the utility: (1) finds the application to be incomplete,
33 based on application criteria and protocols developed by the utility;
34 or (2) deems the interconnection to be unsafe or a risk to the
35 stability of the utility's electric distribution or transmission system.

36 As used in the bill, "grid supply solar facility" means a solar
37 electric power generation facility that sells electricity at wholesale
38 and is connected to the State's electric distribution or transmission
39 systems. "Grid supply solar facility" does not include: (1) a net
40 metered solar facility; (2) an on-site generation facility; (3) a
41 facility participating in net metering aggregation pursuant to section
42 38 of P.L.1999, c.23 (C.48:3-87); (4) a facility participating in
43 remote net metering; or (5) a community solar facility.

44 The bill would also require that grid supply solar facilities that
45 are approved for interconnection under the bill be permitted to
46 interconnect to the electric public utility's transmission or
47 distribution system in the State, provided that (1) the owner or
48 developer of the grid supply solar facility complies with the electric

1 public utility's applicable tariff and Level 3 interconnection
2 application process, and (2) the owner or developer of the grid
3 supply solar facility agrees to pay all required interconnection costs
4 as identified by the electric public utility. Furthermore, grid supply
5 solar facilities that are interconnected under the bill would be
6 required to be compensated by the applicable electric public utility
7 for the electricity supplied on a real-time basis, based on the point
8 of interconnection.

9 Finally, the bill would require electric public utilities, upon
10 application by an owner or operator of a grid supply solar facility,
11 to extend interconnection facilities, at the sole cost and expense of
12 the applicant, to the applicable grid supply solar facility so that such
13 facility may be connected to the electric distribution system. As
14 defined in the bill, "interconnection facilities" means dedicated
15 electric facilities between a renewable energy generator or
16 renewable energy generating facility and the electric transmission
17 or distribution system, including any modification, additions, or
18 upgrades that are necessary to physically and safely interconnect the
19 renewable energy generator or renewable energy generating facility
20 to the electric distribution or transmission system.

[First Reprint]

SENATE, No. 3308

STATE OF NEW JERSEY

221st LEGISLATURE

INTRODUCED MAY 20, 2024

Sponsored by:

Senator NICHOLAS P. SCUTARI

District 22 (Somerset and Union)

Senator LINDA R. GREENSTEIN

District 14 (Mercer and Middlesex)

SYNOPSIS

Requires electric public utilities to implement certain improvements to the interconnection process for certain grid supply solar facilities.

CURRENT VERSION OF TEXT

As amended by the Senate on June 28, 2024.



(Sponsorship Updated As Of: 6/13/2024)

1 AN ACT concerning certain grid supply solar facilities and
2 supplementing Title 48 of the Revised Statutes.

3

4 **BE IT ENACTED** by the Senate and General Assembly of the State
5 of New Jersey:

6

7 1. a. As used in this section:

8 "Board" means the Board of Public Utilities.

9 "Class I renewable energy " means the same as the term is defined
10 in section 3 of P.L.1999, c.23 (C.48:3-51).

11 "Electric public utility" means the same as the term is defined in
12 section 3 of P.L.1999, c.23 (C.48:3-51).

13 "Electric transmission or distribution system" means the intrastate
14 electric power grid, maintained by an applicable electric public utility
15 in the State that is subject to the jurisdiction of the board.

16 "Grid supply solar facility" means the same as the term is defined
17 in section 3 of P.L.1999, c.23 (C.48:3-51).

18 "Interconnection facilities" means dedicated electric facilities
19 between a renewable energy generator or renewable energy generating
20 facility and the electric transmission or distribution system, including
21 any modification, additions, or upgrades that are necessary to
22 physically and safely interconnect the renewable energy generator or
23 renewable energy generating facility to the electric distribution or
24 transmission system. "Interconnection facilities" does not include
25 electric distribution lines that are used to deliver electricity to end-use
26 customers.

27 "Level 3 interconnection application process" means the
28 procedure, criteria, and protocols established for applications to
29 connect renewable energy generation facilities to the transmission and
30 distribution system that are greater than two megawatts in size, or that
31 do not meet certain certification requirements, as developed by the
32 board pursuant to P.L.1999, c.23 (C.48:3-49 et al.).

33 "PJM Interconnection, L.L.C." or "PJM" means the same as the
34 term is defined in section 3 of P.L.1999, c.23 (C.48:3-51).

35 "Renewable energy certificate" or "REC" means the same as the
36 term is defined in section 3 of P.L.1999, c.23 (C.48:3-51).

37 "State incentives" means Class I RECs, SRECs, SREC-IIs, TRECs,
38 or any other applicable State renewable energy certificate, credit, or
39 incentive.

40 "State incentive program" means any State incentive program
41 whereby solar energy production facilities are eligible to receive state
42 incentives.

43 "Solar renewable energy certificate" or "SREC" means the same as
44 the term is defined in section 3 of P.L.1999, c.23 (C.48:3-51).

EXPLANATION – Matter enclosed in bold-faced brackets **[thus]** in the above bill is
not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹Senate floor amendments adopted June 28, 2024.

1 "Solar renewable energy certificate-II" or "SREC-II" means the
2 same as the term is defined in section 3 of P.L.1999, c.23 (C.48:3-51).

3 b. Notwithstanding the provisions of P.L.1999, c.23 (C.48:3-49 et
4 al.), P.L.2021, c.169 (C.48:3-114 et al.), or any other law, rule,
5 regulation, or order to the contrary, each electric public utility shall
6 accept, process, and approve any Level 3 interconnection application
7 for interconnection to that electric public utility's electric distribution
8 or transmission system for any grid supply solar facility with a
9 capacity of 20 megawatts or less, measured in alternating current,
10 unless the utility: (1) finds the application to be incomplete, based on
11 application criteria and protocols developed by the utility; or (2) deems
12 the interconnection to be unsafe or a risk to the stability ¹, reliability,
13 or power quality¹ of the utility's electric distribution or transmission
14 system. If an electric public utility determines that the application is
15 incomplete in accordance with (1) above, then the electric public
16 utility, in response to the application, shall provide recommendations
17 to the applicant as to how to modify the application to make it
18 complete for review. If, after receipt of a complete application, an
19 electric public utility determines that the proposed interconnection is
20 unsafe or a risk to the stability ¹, reliability, or power quality¹ of the
21 utility's electric distribution or transmission system in accordance with
22 (2) above, then the electric public utility, in response to the
23 application, shall provide recommendations to the applicant as to how
24 to reconfigure, adjust, downsize, or otherwise modify the proposed
25 grid supply solar facility so that it is not unsafe or a risk to the stability
26 ¹, reliability, or power quality¹ of the utility's electric distribution or
27 transmission system and allow the applicant to resubmit following
28 such modifications.

29 c. An electric public utility shall timely process any complete
30 interconnection applications received pursuant to this section in
31 accordance with the electric public utility's Level 3 interconnection
32 application process and its applicable tariff.

33 d. A grid supply solar facility for which ¹**[a]** an¹ application is
34 submitted pursuant to this section shall be permitted to interconnect to
35 the electric public utility's transmission or distribution system in the
36 State, provided that (1) the owner or developer of the grid supply solar
37 facility complies with the electric public utility's applicable tariff and
38 Level 3 interconnection application process, and (2) the owner or
39 developer of the grid supply solar facility agrees to pay all required
40 interconnection costs as identified by the electric public utility.

41 e. ¹**[A]** A grid supply solar facility that is connected to the electric
42 transmission or distribution system pursuant to this section shall be
43 compensated for the electricity supplied by the facility by the
44 applicable electric public utility, on a real-time basis, based on the
45 point of interconnection.

46 f. ¹**]** An electric public utility shall, upon application by the owner
47 or operator of a grid supply solar facility, extend interconnection

1 facilities, at the sole cost and expense of the applicant, to the
2 applicable grid supply solar facility so that such facility may be
3 connected to the electric distribution system ¹, unless a board order
4 issued after the effective date of this section modifies the
5 interconnection cost allocation methodology, in which case the
6 applicant shall abide by the modified methodology¹ . Any applicant
7 for such an extension shall comply with the electric public utility's
8 standard interconnection application process. Any such
9 interconnection facilities shall conform to applicable electric code
10 construction standards, electric public utility construction standards,
11 and any other applicable safety standards or code requirements. Each
12 electric public utility shall use commercially reasonable efforts to
13 work collaboratively with solar energy generators to develop new
14 construction standards where needed such that any line extensions do
15 not adversely affect the safe and reliable operation of the electric
16 distribution system.

17 ¹**[g.] f.**¹ A grid supply solar facility that is connected to the
18 electric transmission or distribution system pursuant to this section
19 shall be fully eligible for any applicable State incentives, provided that
20 the facility obtains the board's approval for participation in the State
21 incentive program.

22 ¹**[h.] g.**¹ No later than 120 days after the effective date of this act,
23 the board shall adopt, pursuant to the "Administrative Procedure Act,"
24 P.L.1968, c.410 (C.52:14B-1 et seq.), rules and regulations as
25 necessary for implementing the provisions of this section, which shall
26 be based on existing rules located at N.J.A.C.14:3-8.1 et seq.

27

28 2. This act shall take effect immediately.

[Second Reprint]

SENATE, No. 3308

STATE OF NEW JERSEY

221st LEGISLATURE

INTRODUCED MAY 20, 2024

Sponsored by:

Senator NICHOLAS P. SCUTARI

District 22 (Somerset and Union)

Senator LINDA R. GREENSTEIN

District 14 (Mercer and Middlesex)

Assemblywoman SHANIQUE SPEIGHT

District 29 (Essex and Hudson)

Assemblyman ROBERT J. KARABINCHAK

District 18 (Middlesex)

Assemblyman BENJIE E. WIMBERLY

District 35 (Bergen and Passaic)

Co-Sponsored by:

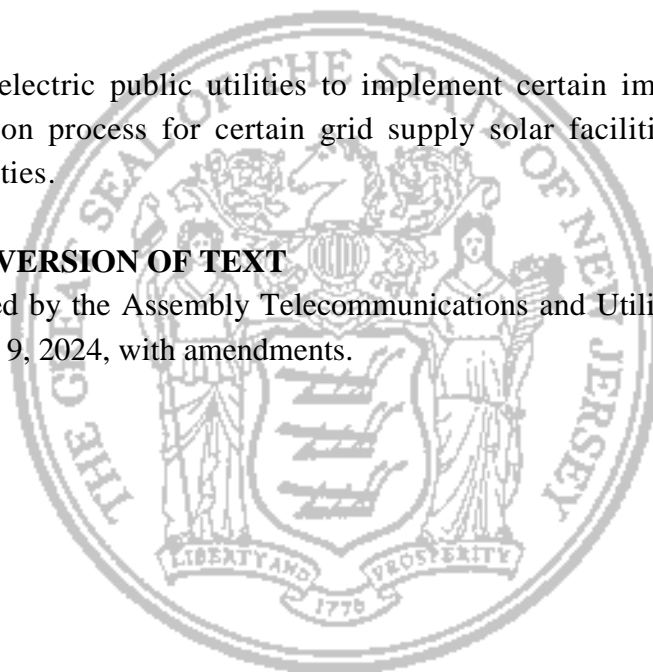
Assemblyman Atkins and Assemblywoman Quijano

SYNOPSIS

Requires electric public utilities to implement certain improvements to interconnection process for certain grid supply solar facilities and energy storage facilities.

CURRENT VERSION OF TEXT

As reported by the Assembly Telecommunications and Utilities Committee on December 9, 2024, with amendments.



(Sponsorship Updated As Of: 12/19/2024)

1 AN ACT concerning certain grid supply solar facilities ²and energy
2 storage facilities² and supplementing Title 48 of the Revised
3 Statutes.

4
5 **BE IT ENACTED** by the Senate and General Assembly of the State
6 of New Jersey:

7
8 1. a. As used in this section:

9 "Board" means the Board of Public Utilities.

10 "Class I renewable energy" means the same as the term is
11 defined in section 3 of P.L.1999, c.23 (C.48:3-51).

12 "Electric public utility" means the same as the term is defined in
13 section 3 of P.L.1999, c.23 (C.48:3-51).

14 "Electric transmission or distribution system" means the
15 intrastate electric power grid, maintained by an applicable electric
16 public utility in the State that is subject to the jurisdiction of the
17 board.

18 ²"Energy storage facility" means a facility that is capable of
19 absorbing energy from the grid or from a Class I renewable energy
20 facility; storing it for a period of time using mechanical, chemical,
21 or thermal processes; and, thereafter, discharging the energy back to
22 the grid or directly to an energy using system to reduce the use of
23 power from the grid.

24 "Grid services compensation" means any payment to a Class I
25 renewable energy facility or energy storage facility for providing
26 services that support or enhance the functioning or the capabilities
27 of the electric transmission or distribution system made pursuant to
28 terms established by board orders or rules and regulations.²

29 "Grid supply solar facility" means the same as the term is
30 defined in section 3 of P.L.1999, c.23 (C.48:3-51).

31 "Interconnection facilities" means dedicated electric facilities
32 between a renewable energy generator or renewable energy
33 generating facility and the electric transmission or distribution
34 system, including any modification, additions, or upgrades that are
35 necessary to physically and safely interconnect the renewable
36 energy generator or renewable energy generating facility to the
37 electric distribution or transmission system. "Interconnection
38 facilities" does not include electric distribution lines that are used to
39 deliver electricity to end-use customers.

40 "Level 3 interconnection application process" means the
41 procedure, criteria, and protocols established for applications to
42 connect renewable energy generation facilities to the transmission
43 and distribution system that are greater than two megawatts in size
44 ²**[.]**² or that do not meet certain certification requirements, as

EXPLANATION – Matter enclosed in bold-faced brackets **[thus]** in the above bill is not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹Senate floor amendments adopted June 28, 2024.

²Assembly ATU committee amendments adopted December 9, 2024.

1 developed by the board pursuant to P.L.1999, c.23 (C.48:3-49 et
2 al.).

3 "PJM Interconnection, L.L.C." or "PJM" means the same as the
4 term is defined in section 3 of P.L.1999, c.23 (C.48:3-51).

5 "Renewable energy certificate" or "REC" means the same as the
6 term is defined in section 3 of P.L.1999, c.23 (C.48:3-51).

7 "State incentives" means Class I RECs, SRECs, SREC-IIs,
8 TRECs, or any other ²[applicable]² State renewable energy
9 certificate, ²as well as any other applicable State² credit, or
10 incentive ²for solar energy production facilities or energy storage
11 facilities².

12 "State incentive program" means any State incentive program
13 whereby solar energy production facilities are eligible to receive
14 ²[state] State² incentives.

15 "Solar renewable energy certificate" or "SREC" means the same
16 as the term is defined in section 3 of P.L.1999, c.23 (C.48:3-51).

17 "Solar renewable energy ²[certificate-II] certificate II² " or
18 "SREC-II" means the same as the term is defined in section 3 of
19 P.L.1999, c.23 (C.48:3-51).

20 b. Notwithstanding the provisions of P.L.1999, c.23 (C.48:3-49
21 et al.), P.L.2021, c.169 (C.48:3-114 et al.), or any other law, rule,
22 regulation, or order to the contrary, each electric public utility shall
23 accept, process, and approve any Level 3 interconnection
24 application for interconnection to that electric public utility's
25 electric distribution or transmission system for any grid supply solar
26 facility ²or energy storage facility² with a capacity of 20 megawatts
27 or less, measured in alternating current, unless the utility: (1) finds
28 the application to be incomplete, based on application criteria and
29 protocols developed by the utility ²that are consistent with any
30 applicable board orders and rules and regulations²; or (2) deems the
31 interconnection to be unsafe or a risk to the stability ¹, reliability, or
32 power quality¹ of the utility's electric distribution or transmission
33 system. If an electric public utility determines that the application
34 is incomplete in accordance with (1) above, then the electric public
35 utility, in response to the application, shall provide
36 recommendations to the applicant as to how to modify the
37 application to make it complete for review. If, after receipt of a
38 complete application, an electric public utility determines that the
39 proposed interconnection is unsafe or a risk to the stability ¹,
40 reliability, or power quality¹ of the utility's electric distribution or
41 transmission system in accordance with (2) above, then the electric
42 public utility, in response to the application, shall provide
43 recommendations to the applicant as to how to reconfigure, adjust,
44 downsize, or otherwise modify the proposed grid supply solar
45 facility ², energy storage facility, or point of interconnection² so
46 that it is not unsafe or a risk to the stability ¹, reliability, or power

- 1 quality¹ of the utility's electric distribution or transmission system
2 and allow the applicant to resubmit following such modifications.
- 3 c. An electric public utility shall timely process any complete
4 interconnection applications received pursuant to this section in
5 accordance with the electric public utility's Level 3 interconnection
6 application process and its applicable tariff. ²An electric public
7 utility shall not unreasonably delay the processing of any complete
8 interconnection application and shall provide an initial feasibility
9 study for the applicant's review within 90 days of a complete
10 interconnection application.²
- 11 d. A grid supply solar facility ²or energy storage facility² for
12 which ¹**[a]** an¹ application is submitted pursuant to this section
13 shall be permitted to interconnect to the electric public utility's
14 transmission or distribution system in the State, provided that (1)
15 the owner or developer of the grid supply solar facility ²or energy
16 storage facility² complies with the electric public utility's
17 applicable tariff and Level 3 interconnection application process,
18 and (2) the owner or developer of the grid supply solar facility ²or
19 energy storage facility² agrees to pay all required interconnection
20 costs as identified by the electric public utility.
- 21 e. ¹**[A** grid supply solar facility that is connected to the electric
22 transmission or distribution system pursuant to this section shall be
23 compensated for the electricity supplied by the facility by the
24 applicable electric public utility, on a real-time basis, based on the
25 point of interconnection.
- 26 f. ¹²**[**A grid supply solar facility that is connected to the electric
27 transmission or distribution system pursuant to this section shall be
28 compensated for the electricity supplied by the facility by the
29 applicable electric public utility, on a real-time basis, based on the
30 point of interconnection. If any such transaction between a grid
31 supply solar facility and an electric public utility qualifies as a sale
32 of electric energy at wholesale in interstate commerce under Section
33 201 of the "Federal Power Act" (16 U.S.C. s.824), any
34 compensation provided by the electric public utility to the grid
35 supply solar facility for the facility's electric energy shall be
36 consistent with the requirements of the "Public Utility Regulatory
37 Policies Act of 1978" (16 U.S.C. s.2601 et seq.) and its
38 implementing regulations. Notwithstanding the foregoing, any grid
39 supply solar facility that is connected to the electric transmission or
40 distribution system pursuant to this section shall utilize
41 commercially reasonable efforts to obtain access to the PJM
42 wholesale market as soon as reasonably practicable following
43 commercial operation.
- 44 f.² An electric public utility shall, upon application by the owner
45 ², developer,² or operator of a grid supply solar facility ²or energy
46 storage facility², extend interconnection facilities ²**[**, at the sole cost
47 and expense of the applicant,**]² to the applicable grid supply solar**

1 facility ²or energy storage facility, utilizing the electric public
2 utility's existing infrastructure, including, but not limited to, the
3 electric public utility's poles and rights of way, to the maximum
4 extent practicable² so that such facility may be connected to the
5 electric distribution system ²[¹, unless a board order issued after the
6 effective date of this section modifies the interconnection cost
7 allocation methodology, in which case the applicant shall abide by
8 the modified methodology¹]. Such line extensions or upgrades shall
9 be at the sole cost and expense of the applicant, unless a board order
10 issued after the effective date of this section modifies the
11 interconnection cost allocation methodology, in which case the
12 applicant shall abide by the modified methodology.² Any applicant
13 for such an extension shall comply with the electric public utility's
14 standard interconnection application process ², except that the
15 electric public utility shall specifically make available to the
16 applicant the electric public utility's existing infrastructure,
17 including, but not limited to, the electric public utility's poles and
18 rights of way, to the maximum extent practicable to facilitate the
19 interconnection². Any such interconnection facilities shall conform
20 to applicable electric code construction standards, electric public
21 utility construction standards, and any other applicable safety
22 standards or code requirements. Each electric public utility shall
23 use commercially reasonable efforts to work collaboratively with
24 solar energy generators ²and energy storage facility operators² to
25 develop new construction standards where needed such that any line
26 extensions do not adversely affect the safe and reliable operation of
27 the electric distribution system.

28 ¹[g.] ²[f.¹] g.² A grid supply solar facility ²or energy storage
29 facility² that is connected to the electric transmission or distribution
30 system pursuant to this section shall be fully eligible ²[for] to
31 receive² any applicable State incentives, provided that the facility
32 obtains the board's approval for participation in the State incentive
33 program ²or for grid services compensation².

34 ¹[h.] ²[g.¹] h.² No later than ²[120] ²10² days after the
35 effective date of ²[this act] P.L. , c. (C.) (pending before
36 the Legislature as this bill)², the board shall adopt, pursuant to the
37 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et
38 seq.), rules and regulations as necessary for implementing the
39 provisions of this section, which shall be based on existing rules
40 located at ²[N.J.A.C.14:3-8.1 et seq] N.J.A.C.14:8-5.1 et. seq. The
41 board may satisfy the requirements of this subsection by adopting
42 rules and regulations it proposed prior to the effective date of
43 P.L. , c. (C.) (pending before the Legislature as this bill),
44 provided such proposed rules and regulations are substantially
45 compliant with the provisions of P.L. , c. (C.) (pending
46 before the Legislature as this bill). Notwithstanding any provision

1 of the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-
2 1 et seq.), to the contrary, the board may also make any changes to
3 any proposed rules and regulations upon adoption that are necessary
4 to implement the provisions of P.L. , c. (C.) (pending
5 before the Legislature as this bill) without filing a new notice of
6 proposal or following the procedures prescribed in section 1 of
7 P.L.2011, c.33 (C.52:14B-4.10)².

8

9 2. This act shall take effect immediately.

ASSEMBLY TELECOMMUNICATIONS AND UTILITIES
COMMITTEE

STATEMENT TO

[First Reprint]

SENATE, No. 3308

with committee amendments

STATE OF NEW JERSEY

DATED: DECEMBER 9, 2024

The Assembly Telecommunications and Utilities Committee reports favorably and with committee amendments Senate Bill No. 3308 (1R).

As amended and reported, this bill requires each electric public utility in the State to accept, process, and approve applications for Level 3 interconnection to that electric public utility's electric distribution or transmission system for any grid supply solar facility or energy storage facility with a capacity of 20 megawatts or less, unless the utility: (1) 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 rules and regulations; or (2) deems the interconnection to be unsafe or a risk to the stability, reliability, or power quality of the utility's electric distribution or transmission system. Electric public utilities are required to process any complete interconnection application received under the bill in a timely manner and are required to provide an initial feasibility study for the applicant's review within 90 days of receiving a complete interconnection application.

As used in the bill, "grid supply solar facility" means a solar electric power generation facility that sells electricity at wholesale and is connected to the State's electric distribution or transmission systems. "Grid supply solar facility" does not include: (1) a net metered solar facility; (2) an on-site generation facility; (3) a facility participating in net metering aggregation; (4) a facility participating in remote net metering; or (5) a community solar facility. In addition, under the bill, "energy storage facility" means a facility that is capable of absorbing energy from the grid or from a Class I renewable energy facility; storing it for a period of time using mechanical, chemical, or thermal processes; and, thereafter, discharging the energy back to the grid or directly to an energy using system to reduce the use of power from the grid.

The bill also requires that grid supply solar facilities and energy storage facilities that are approved for interconnection under the bill be

permitted to interconnect to the electric public utility's transmission or distribution system in the State, provided that (1) the owner or developer of the grid supply solar facility or energy storage facility complies with the electric public utility's applicable tariff and Level 3 interconnection application process, and (2) the owner or developer of the grid supply solar facility or energy storage facility agrees to pay all required interconnection costs as identified by the electric public utility.

In addition, grid supply solar facilities that are interconnected under the bill are to be compensated by the applicable electric public utility for the electricity supplied on a real-time basis, based on the point of interconnection. However, if the compensation of a grid supply solar facility under the bill qualifies as a sale of electric energy at wholesale in interstate commerce under the "Federal Power Act," any compensation under the bill is to be executed in compliance with the federal "Public Utility Regulatory Policies Act of 1978," including any regulations it implements.

Finally, the bill requires electric public utilities, upon application by an owner, developer, or operator of a grid supply solar facility or energy storage facility, to extend interconnection facilities to the applicable grid supply solar facility or energy storage facility, utilizing the electric public utility's existing infrastructure, which includes, but is not limited to, poles and rights of way, so that the facility may be connected to the electric distribution system. Any line extensions or upgrades are to be at the sole cost and expense of the applicant, unless a board order issued after the bill's effective date modifies the interconnection cost allocation methodology, in which case the applicant is to abide by the modified methodology. As defined in the bill, "interconnection facilities" means dedicated electric facilities between a renewable energy generator or renewable energy generating facility and the electric transmission or distribution system, including any modification, additions, or upgrades that are necessary to physically and safely interconnect the renewable energy generator or renewable energy generating facility to the electric distribution or transmission system.

As amended and reported by the committee, Senate Bill No. 3308 (1R) is identical to Assembly Bill No. 4513, which was also amended and reported by the committee on this date.

COMMITTEE AMENDMENTS:

The committee amended the bill to:

(1) define "energy storage facility" to mean a facility that is capable of absorbing energy from the grid or from a Class I renewable energy facility; storing it for a period of time using mechanical, chemical, or thermal processes; and, thereafter, discharging the energy back to the grid or directly to an energy using system to reduce the use of power from the grid;

(2) define “grid services compensation” to mean any payment to a Class I renewable energy facility or energy storage facility for providing services that support or enhance the functioning or the capabilities of the electric transmission or distribution system made pursuant to terms established by board orders or rules and regulations;

(3) update the definition of “State incentives”;

(4) apply the bill’s provisions to energy storage facilities, in addition to grid supply solar facilities, with the exception that energy storage facilities do not qualify for compensation by an electric public utility for supplying electricity;

(5) clarify that the application criteria and protocols developed by an electric public utility for the evaluation of a Level 3 interconnection application under the bill are to be consistent with any applicable board orders and rules and regulations;

(6) require electric public utilities to provide an initial feasibility study for the applicant’s review within 90 days of the applicant’s submission of a complete interconnection application;

(7) require an electric public utility to compensate a grid supply solar facility for electricity supplied by the facility to a utility’s electric transmission or distribution system;

(8) clarify that any compensation under the bill by an electric public utility to a grid supply solar facility is required to comply with certain provisions of federal law;

(9) allow developers, in addition to owners and operators, of grid supply solar facilities and energy storage facilities to submit an interconnection application under the bill;

(10) require an electric public utility to extend interconnection facilities to an approved applicant, using the utility’s existing infrastructure, including, but not limited to, poles and rights of way;

(11) clarify that any line extension or upgrade made pursuant to the bill is to be done at the sole cost and expense of the applicant, unless a board order issued after the bill’s effective date modifies the interconnection cost allocation methodology, in which case the applicant is to follow the modified methodology;

(12) require approval from the board for grid services compensation;

(13) require the board to adopt rules and regulations to implement the bill’s provisions within 210 days, instead of 120 days, after the bill’s effective date, which rules and regulations are to be based on N.J.A.C.14:8-5.1 et seq., rather than N.J.A.C.14:3-8.1 et seq.;

(14) permit the board to make changes to proposed rules and regulations upon adoption that are necessary to implement the provisions of the bill without filing a new notice of proposal or following certain procedures pursuant to N.J.S.A.52:14B-4.10;

(15) update the bill’s title and synopsis; and

(16) make technical changes.

SENATE ENVIRONMENT AND ENERGY COMMITTEE

STATEMENT TO

SENATE, No. 3308

STATE OF NEW JERSEY

DATED: JUNE 20, 2024

The Senate Environment and Energy Committee reports favorably Senate Bill No. 3308.

This bill would require each electric public utility in the State to accept, process, and approve applications for interconnection to that electric public utility's electric distribution or transmission system for any grid supply solar facility with a capacity of 20 megawatts or less, unless the utility: (1) finds the application to be incomplete, based on application criteria and protocols developed by the utility; or (2) deems the interconnection to be unsafe or a risk to the stability of the utility's electric distribution or transmission system.

As used in the bill, "grid supply solar facility" means a solar electric power generation facility that sells electricity at wholesale and is connected to the State's electric distribution or transmission systems. "Grid supply solar facility" does not include: (1) a net metered solar facility; (2) an on-site generation facility; (3) a facility participating in net metering aggregation pursuant to section 38 of P.L.1999, c.23 (C.48:3-87); (4) a facility participating in remote net metering; or (5) a community solar facility.

The bill would also require that grid supply solar facilities that are approved for interconnection under the bill be permitted to interconnect to the electric public utility's transmission or distribution system in the State, provided that (1) the owner or developer of the grid supply solar facility complies with the electric public utility's applicable tariff and Level 3 interconnection application process, and (2) the owner or developer of the grid supply solar facility agrees to pay all required interconnection costs as identified by the electric public utility. Furthermore, grid supply solar facilities that are interconnected under the bill would be required to be compensated by the applicable electric public utility for the electricity supplied on a real-time basis, based on the point of interconnection.

Finally, the bill would require electric public utilities, upon application by an owner or operator of a grid supply solar facility, to extend interconnection facilities, at the sole cost and expense of the applicant, to the applicable grid supply solar facility so that such facility may be connected to the electric distribution system. As defined in the bill, "interconnection facilities" means dedicated electric facilities between a renewable energy generator or renewable energy generating facility and the electric transmission or distribution system,

including any modification, additions, or upgrades that are necessary to physically and safely interconnect the renewable energy generator or renewable energy generating facility to the electric distribution or transmission system.

STATEMENT TO
SENATE, No. 3308

with Senate Floor Amendments
(Proposed by Senator SCUTARI)

ADOPTED: JUNE 28, 2024

These floor amendments would:

(1) provide that electric public utilities may reject interconnections that pose a risk to the reliability or power quality of the grid, in addition to the stability of the grid;

(2) delete a provision that would have explicitly required grid supply facilities to be compensated for the electricity supplied by the facility by the applicable electric public utility; and

(3) clarify that the interconnection cost allocation to the applicant required by the bill may be overridden by changes to the interconnection cost allocation methodology adopted pursuant to a subsequent board order from the BPU.

ASSEMBLY, No. 4513

STATE OF NEW JERSEY

221st LEGISLATURE

INTRODUCED JUNE 6, 2024

Sponsored by:

Assemblywoman SHANIQUE SPEIGHT

District 29 (Essex and Hudson)

Assemblyman ROBERT J. KARABINCHAK

District 18 (Middlesex)

SYNOPSIS

Requires electric public utilities to implement certain improvements to the interconnection process for certain grid supply solar facilities.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 12/8/2024)

1 AN ACT concerning certain grid supply solar facilities and
2 supplementing Title 48 of the Revised Statutes.

3

4 **BE IT ENACTED** by the Senate and General Assembly of the State
5 of New Jersey:

6

7 1. a. As used in this section:

8 "Board" means the Board of Public Utilities.

9 "Class I renewable energy " means the same as the term is
10 defined in section 3 of P.L.1999, c.23 (C.48:3-51).

11 "Electric public utility" means the same as the term is defined in
12 section 3 of P.L.1999, c.23 (C.48:3-51).

13 "Electric transmission or distribution system" means the
14 intrastate electric power grid, maintained by an applicable electric
15 public utility in the State that is subject to the jurisdiction of the
16 board.

17 "Grid supply solar facility" means the same as the term is
18 defined in section 3 of P.L.1999, c.23 (C.48:3-51).

19 "Interconnection facilities" means dedicated electric facilities
20 between a renewable energy generator or renewable energy
21 generating facility and the electric transmission or distribution
22 system, including any modification, additions, or upgrades that are
23 necessary to physically and safely interconnect the renewable
24 energy generator or renewable energy generating facility to the
25 electric distribution or transmission system. "Interconnection
26 facilities" does not include electric distribution lines that are used to
27 deliver electricity to end-use customers.

28 "Level 3 interconnection application process" means the
29 procedure, criteria, and protocols established for applications to
30 connect renewable energy generation facilities to the transmission
31 and distribution system that are greater than two megawatts in size,
32 or that do not meet certain certification requirements, as developed
33 by the board pursuant to P.L.1999, c.23 (C.48:3-49 et al.).

34 "PJM Interconnection, L.L.C." or "PJM" means the same as the
35 term is defined in section 3 of P.L.1999, c.23 (C.48:3-51).

36 "Renewable energy certificate" or "REC" means the same as the
37 term is defined in section 3 of P.L.1999, c.23 (C.48:3-51).

38 "State incentives" means Class I RECs, SRECs, SREC-IIs,
39 TRECs, or any other applicable State renewable energy certificate,
40 credit, or incentive.

41 "State incentive program" means any State incentive program
42 whereby solar energy production facilities are eligible to receive
43 state incentives.

44 "Solar renewable energy certificate" or "SREC" means the same
45 as the term is defined in section 3 of P.L.1999, c.23 (C.48:3-51).

46 "Solar renewable energy certificate-II" or "SREC-II" means the
47 same as the term is defined in section 3 of P.L.1999, c.23 (C.48:3-
48 51).

1 b. Notwithstanding the provisions of P.L.1999, c.23 (C.48:3-49
2 et al.), P.L.2021, c.169 (C.48:3-114 et al.), or any other law, rule,
3 regulation, or order to the contrary, each electric public utility shall
4 accept, process, and approve any Level 3 interconnection
5 application for interconnection to that electric public utility's
6 electric distribution or transmission system for any grid supply solar
7 facility with a capacity of 20 megawatts or less, measured in
8 alternating current, unless the utility: (1) finds the application to be
9 incomplete, based on application criteria and protocols developed
10 by the utility; or (2) deems the interconnection to be unsafe or a risk
11 to the stability of the utility's electric distribution or transmission
12 system. If an electric public utility determines that the application
13 is incomplete in accordance with (1) above, then the electric public
14 utility, in response to the application, shall provide
15 recommendations to the applicant as to how to modify the
16 application to make it complete for review. If, after receipt of a
17 complete application, an electric public utility determines that the
18 proposed interconnection is unsafe or a risk to the stability of the
19 utility's electric distribution or transmission system in accordance
20 with (2) above, then the electric public utility, in response to the
21 application, shall provide recommendations to the applicant as to
22 how to reconfigure, adjust, downsize, or otherwise modify the
23 proposed grid supply solar facility so that it is not unsafe or a risk to
24 the stability of the utility's electric distribution or transmission
25 system and allow the applicant to resubmit following such
26 modifications.

27 c. An electric public utility shall timely process any complete
28 interconnection applications received pursuant to this section in
29 accordance with the electric public utility's Level 3 interconnection
30 application process and its applicable tariff.

31 d. A grid supply solar facility for which a application is
32 submitted pursuant to this section shall be permitted to interconnect
33 to the electric public utility's transmission or distribution system in
34 the State, provided that (1) the owner or developer of the grid
35 supply solar facility complies with the electric public utility's
36 applicable tariff and Level 3 interconnection application process,
37 and (2) the owner or developer of the grid supply solar facility
38 agrees to pay all required interconnection costs as identified by the
39 electric public utility.

40 e. A grid supply solar facility that is connected to the electric
41 transmission or distribution system pursuant to this section shall be
42 compensated for the electricity supplied by the facility by the
43 applicable electric public utility, on a real-time basis, based on the
44 point of interconnection.

45 f. An electric public utility shall, upon application by the owner
46 or operator of a grid supply solar facility, extend interconnection
47 facilities, at the sole cost and expense of the applicant, to the
48 applicable grid supply solar facility so that such facility may be

1 connected to the electric distribution system. Any applicant for
2 such an extension shall comply with the electric public utility's
3 standard interconnection application process. Any such
4 interconnection facilities shall conform to applicable electric code
5 construction standards, electric public utility construction standards,
6 and any other applicable safety standards or code requirements.
7 Each electric public utility shall use commercially reasonable
8 efforts to work collaboratively with solar energy generators to
9 develop new construction standards where needed such that any line
10 extensions do not adversely affect the safe and reliable operation of
11 the electric distribution system.

12 g. A grid supply solar facility that is connected to the electric
13 transmission or distribution system pursuant to this section shall be
14 fully eligible for any applicable State incentives, provided that the
15 facility obtains the board's approval for participation in the State
16 incentive program.

17 h. No later than 120 days after the effective date of this act, the
18 board shall adopt, pursuant to the "Administrative Procedure Act,"
19 P.L.1968, c.410 (C.52:14B-1 et seq.), rules and regulations as
20 necessary for implementing the provisions of this section, which
21 shall be based on existing rules located at N.J.A.C.14:3-8.1 et seq.

22

23 2. This act shall take effect immediately.

24

25

26

STATEMENT

27

28 This bill would require each electric public utility in the State to
29 accept, process, and approve applications for interconnection to that
30 electric public utility's electric distribution or transmission system
31 for any grid supply solar facility with a capacity of 20 megawatts or
32 less, unless the utility: (1) finds the application to be incomplete,
33 based on application criteria and protocols developed by the utility;
34 or (2) deems the interconnection to be unsafe or a risk to the
35 stability of the utility's electric distribution or transmission system.

36 As used in the bill, "grid supply solar facility" means a solar
37 electric power generation facility that sells electricity at wholesale
38 and is connected to the State's electric distribution or transmission
39 systems. "Grid supply solar facility" does not include: (1) a net
40 metered solar facility; (2) an on-site generation facility; (3) a
41 facility participating in net metering aggregation pursuant to section
42 38 of P.L.1999, c.23 (C.48:3-87); (4) a facility participating in
43 remote net metering; or (5) a community solar facility.

44 The bill would also require that grid supply solar facilities that
45 are approved for interconnection under the bill be permitted to
46 interconnect to the electric public utility's transmission or
47 distribution system in the State, provided that (1) the owner or
48 developer of the grid supply solar facility complies with the electric

1 public utility's applicable tariff and Level 3 interconnection
2 application process, and (2) the owner or developer of the grid
3 supply solar facility agrees to pay all required interconnection costs
4 as identified by the electric public utility. Furthermore, grid supply
5 solar facilities that are interconnected under the bill would be
6 required to be compensated by the applicable electric public utility
7 for the electricity supplied on a real-time basis, based on the point
8 of interconnection.

9 Finally, the bill would require electric public utilities, upon
10 application by an owner or operator of a grid supply solar facility,
11 to extend interconnection facilities, at the sole cost and expense of
12 the applicant, to the applicable grid supply solar facility so that such
13 facility may be connected to the electric distribution system. As
14 defined in the bill, "interconnection facilities" means dedicated
15 electric facilities between a renewable energy generator or
16 renewable energy generating facility and the electric transmission
17 or distribution system, including any modification, additions, or
18 upgrades that are necessary to physically and safely interconnect the
19 renewable energy generator or renewable energy generating facility
20 to the electric distribution or transmission system.

[First Reprint]

ASSEMBLY, No. 4513

STATE OF NEW JERSEY
221st LEGISLATURE

INTRODUCED JUNE 6, 2024

Sponsored by:

Assemblywoman SHANIQUE SPEIGHT

District 29 (Essex and Hudson)

Assemblyman ROBERT J. KARABINCHAK

District 18 (Middlesex)

Assemblyman BENJIE E. WIMBERLY

District 35 (Bergen and Passaic)

Co-Sponsored by:

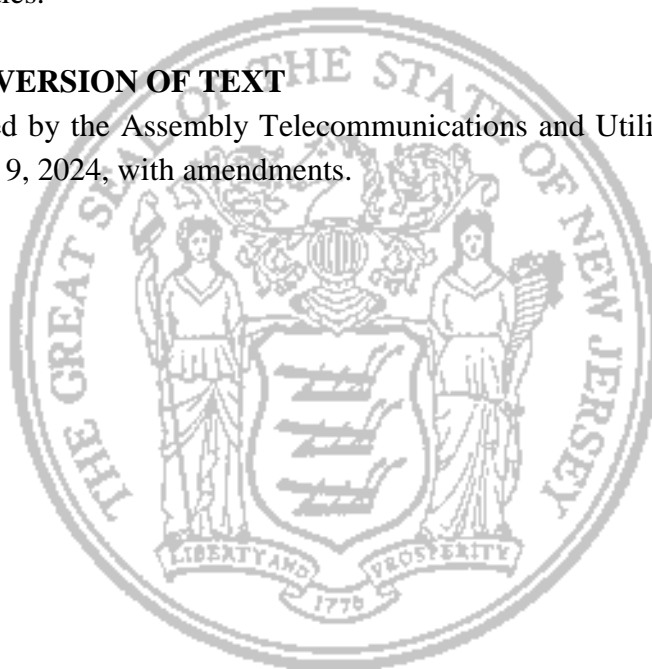
Assemblyman Atkins and Assemblywoman Quijano

SYNOPSIS

Requires electric public utilities to implement certain improvements to interconnection process for certain grid supply solar facilities and energy storage facilities.

CURRENT VERSION OF TEXT

As reported by the Assembly Telecommunications and Utilities Committee on December 9, 2024, with amendments.



(Sponsorship Updated As Of: 12/19/2024)

1 AN ACT concerning certain grid supply solar facilities ¹and energy
2 storage facilities¹ and supplementing Title 48 of the Revised
3 Statutes.

4
5 **BE IT ENACTED** by the Senate and General Assembly of the State
6 of New Jersey:

7
8 procedure, criteria, and protocols established for applications to
9 connect renewable energy generation facilities to the transmission and
10 distribution system that are greater than two megawatts in size ¹**[,]**¹
11 that do not meet certain certification requirements, as developed by the
12 board pursuant to P.L.1999, c.23 (C.48:3-49 et al.).

13 "PJM Interconnection, L.L.C." or "PJM" means the same as the
14 term is defined in section 3 of P.L.1999, c.23 (C.48:3-51).

15 "Renewable energy certificate" or "REC" means the same as the
16 term is defined in section 3 of P.L.1999, c.23 (C.48:3-51).

17 "State incentives" means Class I RECs, SRECs, SREC-IIs, TRECs,
18 or any other ¹**[applicable]**¹ State renewable energy certificate, ¹as
19 well as any other applicable State¹ credit, or incentive ¹for solar
20 energy production facilities or energy storage facilities¹.

21 "State incentive program" means any State incentive program
22 whereby solar energy production facilities are eligible to receive
23 ¹**[state]** State¹ incentives.

24 "Solar renewable energy certificate" or "SREC" means the same as
25 the term is defined in section 3 of P.L.1999, c.23 (C.48:3-51).

26 "Solar renewable energy ¹**[certificate-II]** certificate II¹ " or
27 "SREC-II" means the same as the term is defined in section 3 of
28 P.L.1999, c.23 (C.48:3-51).

29 b. Notwithstanding the provisions of P.L.1999, c.23 (C.48:3-49 et
30 al.), P.L.2021, c.169 (C.48:3-114 et al.), or any other law, rule,
31 regulation, or order to the contrary, each electric public utility shall
32 accept, process, and approve any Level 3 interconnection application
33 for interconnection to that electric public utility's electric distribution
34 or transmission system for any grid supply solar facility ¹or energy
35 storage facility¹ with a capacity of 20 megawatts or less, measured in
36 alternating current, unless the utility: (1) finds the application to be
37 incomplete, based on application criteria and protocols developed by
38 the utility ¹that are consistent with any applicable board orders and
39 rules and regulations¹; or (2) deems the interconnection to be unsafe or
40 a risk to the stability ¹, reliability, or power quality¹ of the utility's
41 electric distribution or transmission system. If an electric public utility
42 determines that the application is incomplete in accordance with (1)
43 above, then the electric public utility, in response to the application,
44 shall provide recommendations to the applicant as to how to modify

EXPLANATION – Matter enclosed in bold-faced brackets **[thus]** in the above bill is
not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹Assembly ATU committee amendments adopted December 9, 2024.

1 the application to make it complete for review. If, after receipt of a
2 complete application, an electric public utility determines that the
3 proposed interconnection is unsafe or a risk to the stability ¹,
4 reliability, or power quality¹ of the utility's electric distribution or
5 transmission system in accordance with (2) above, then the electric
6 public utility, in response to the application, shall provide
7 recommendations to the applicant as to how to reconfigure, adjust,
8 downsize, or otherwise modify the proposed grid supply solar facility
9 ¹, energy storage facility, or point of interconnection¹ so that it is not
10 unsafe or a risk to the stability ¹, reliability, or power quality¹ of the
11 utility's electric distribution or transmission system and allow the
12 applicant to resubmit following such modifications.

13 c. An electric public utility shall timely process any complete
14 interconnection applications received pursuant to this section in
15 accordance with the electric public utility's Level 3 interconnection
16 application process and its applicable tariff. ¹An electric public utility
17 shall not unreasonably delay the processing of any complete
18 interconnection application and shall provide an initial feasibility study
19 for the applicant's review within 90 days of a complete
20 interconnection application.¹

21 d. A grid supply solar facility ¹or energy storage facility¹ for
22 which ¹[a] an¹ application is submitted pursuant to this section shall
23 be permitted to interconnect to the electric public utility's transmission
24 or distribution system in the State, provided that (1) the owner or
25 developer of the grid supply solar facility ¹or energy storage facility¹
26 complies with the electric public utility's applicable tariff and Level 3
27 interconnection application process, and (2) the owner or developer of
28 the grid supply solar facility ¹or energy storage facility¹ agrees to pay
29 all required interconnection costs as identified by the electric public
30 utility.

31 e. A grid supply solar facility that is connected to the electric
32 transmission or distribution system pursuant to this section shall be
33 compensated for the electricity supplied by the facility by the
34 applicable electric public utility, on a real-time basis, based on the
35 point of interconnection. ¹If any such transaction between a grid
36 supply solar facility and an electric public utility qualifies as a sale of
37 electric energy at wholesale in interstate commerce under Section 201
38 of the "Federal Power Act" (16 U.S.C. s.824), any compensation
39 provided by the electric public utility to the grid supply solar facility
40 for the facility's electric energy shall be consistent with the
41 requirements of the "Public Utility Regulatory Policies Act of 1978"
42 (16 U.S.C. s.2601 et seq.) and its implementing regulations.
43 Notwithstanding the foregoing, any grid supply solar facility that is
44 connected to the electric transmission or distribution system pursuant
45 to this section shall utilize commercially reasonable efforts to obtain
46 access to the PJM wholesale market as soon as reasonably practicable
47 following commercial operation.¹

1 f. An electric public utility shall, upon application by the owner ¹,
2 developer,¹ or operator of a grid supply solar facility ¹or energy
3 storage facility¹, extend interconnection facilities ¹], at the sole cost
4 and expense of the applicant,]¹ to the applicable grid supply solar
5 facility ¹or energy storage facility, utilizing the electric public utility's
6 existing infrastructure, including, but not limited to, the electric public
7 utility's poles and rights of way, to the maximum extent practicable¹
8 so that such facility may be connected to the electric distribution
9 system. ¹Such line extensions or upgrades shall be at the sole cost and
10 expense of the applicant, unless a board order issued after the effective
11 date of this section modifies the interconnection cost allocation
12 methodology, in which case the applicant shall abide by the modified
13 methodology.¹ Any applicant for such an extension shall comply with
14 the electric public utility's standard interconnection application
15 process ¹, except that the electric public utility shall specifically make
16 available to the applicant the electric public utility's existing
17 infrastructure, including, but not limited to, the electric public utility's
18 poles and rights of way, to the maximum extent practicable to facilitate
19 the interconnection¹. Any such interconnection facilities shall
20 conform to applicable electric code construction standards, electric
21 public utility construction standards, and any other applicable safety
22 standards or code requirements. Each electric public utility shall use
23 commercially reasonable efforts to work collaboratively with solar
24 energy generators ¹and energy storage facility operators¹ to develop
25 new construction standards where needed such that any line extensions
26 do not adversely affect the safe and reliable operation of the electric
27 distribution system.

28 g. A grid supply solar facility ¹or energy storage facility¹ that is
29 connected to the electric transmission or distribution system pursuant
30 to this section shall be fully eligible ¹[for] to receive¹ any applicable
31 State incentives, provided that the facility obtains the board's approval
32 for participation in the State incentive program ¹or for grid services
33 compensation¹.

34 h. No later than ¹[120] 210¹ days after the effective date of ¹[this
35 act] P.L. , c. (C.) (pending before the Legislature as this
36 bill)¹, the board shall adopt, pursuant to the "Administrative Procedure
37 Act," P.L.1968, c.410 (C.52:14B-1 et seq.), rules and regulations as
38 necessary for implementing the provisions of this section, which shall
39 be based on existing rules located at ¹[N.J.A.C.14:3-8.1 et seq]
40 N.J.A.C.14:8-5.1 et. seq. The board may satisfy the requirements of
41 this subsection by adopting rules and regulations it proposed prior to
42 the effective date of P.L. , c. (C.) (pending before the
43 Legislature as this bill), provided such proposed rules and regulations
44 are substantially compliant with the provisions of P.L. , c. (C.)
45 (pending before the Legislature as this bill). Notwithstanding any
46 provision of the "Administrative Procedure Act," P.L.1968, c.410

1 (C.52:14B-1 et seq.), to the contrary, the board may also make any
2 changes to any proposed rules and regulations upon adoption that are
3 necessary to implement the provisions of P.L. , c. (C.)
4 (pending before the Legislature as this bill) without filing a new notice
5 of proposal or following the procedures prescribed in section 1 of
6 P.L.2011, c.33 (C.52:14B-4.10)¹.

7

8 2. This act shall take effect immediately.

ASSEMBLY TELECOMMUNICATIONS AND UTILITIES
COMMITTEE

STATEMENT TO
ASSEMBLY, No. 4513

with committee amendments

STATE OF NEW JERSEY

DATED: DECEMBER 9, 2024

The Assembly Telecommunications and Utilities Committee reports favorably and with committee amendments Assembly Bill No. 4513.

As amended and reported, this bill requires each electric public utility in the State to accept, process, and approve applications for Level 3 interconnection to that electric public utility's electric distribution or transmission system for any grid supply solar facility or energy storage facility with a capacity of 20 megawatts or less, unless the utility: (1) 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 rules and regulations; or (2) deems the interconnection to be unsafe or a risk to the stability, reliability, or power quality of the utility's electric distribution or transmission system. Electric public utilities are required to process any complete interconnection application received under the bill in a timely manner and are required to provide an initial feasibility study for the applicant's review within 90 days of receiving a complete interconnection application.

As used in the bill, "grid supply solar facility" means a solar electric power generation facility that sells electricity at wholesale and is connected to the State's electric distribution or transmission systems. "Grid supply solar facility" does not include: (1) a net metered solar facility; (2) an on-site generation facility; (3) a facility participating in net metering aggregation; (4) a facility participating in remote net metering; or (5) a community solar facility. In addition, under the bill, "energy storage facility" means a facility that is capable of absorbing energy from the grid or from a Class I renewable energy facility; storing it for a period of time using mechanical, chemical, or thermal processes; and, thereafter, discharging the energy back to the grid or directly to an energy using system to reduce the use of power from the grid.

The bill also requires that grid supply solar facilities and energy storage facilities that are approved for interconnection under the bill be permitted to interconnect to the electric public utility's transmission or

distribution system in the State, provided that (1) the owner or developer of the grid supply solar facility or energy storage facility complies with the electric public utility's applicable tariff and Level 3 interconnection application process, and (2) the owner or developer of the grid supply solar facility or energy storage facility agrees to pay all required interconnection costs as identified by the electric public utility.

In addition, grid supply solar facilities that are interconnected under the bill are to be compensated by the applicable electric public utility for the electricity supplied on a real-time basis, based on the point of interconnection. However, if the compensation of a grid supply solar facility under the bill qualifies as a sale of electric energy at wholesale in interstate commerce under the "Federal Power Act," any compensation under the bill is to be executed in compliance with the federal "Public Utility Regulatory Policies Act of 1978," including any regulations it implements.

Finally, the bill requires electric public utilities, upon application by an owner, developer, or operator of a grid supply solar facility or energy storage facility, to extend interconnection facilities to the applicable grid supply solar facility or energy storage facility, utilizing the electric public utility's existing infrastructure, which includes, but is not limited to, poles and rights of way, so that the facility may be connected to the electric distribution system. Any line extensions or upgrades are to be at the sole cost and expense of the applicant, unless a board order issued after the bill's effective date modifies the interconnection cost allocation methodology, in which case the applicant is to abide by the modified methodology. As defined in the bill, "interconnection facilities" means dedicated electric facilities between a renewable energy generator or renewable energy generating facility and the electric transmission or distribution system, including any modification, additions, or upgrades that are necessary to physically and safely interconnect the renewable energy generator or renewable energy generating facility to the electric distribution or transmission system.

As amended and reported by the committee, Assembly Bill No. 4513 is identical to Senate Bill No. 3308 (1R), which was also amended and reported by the committee on this date.

COMMITTEE AMENDMENTS:

The committee amended the bill to:

(1) define "energy storage facility" to mean a facility that is capable of absorbing energy from the grid or from a Class I renewable energy facility; storing it for a period of time using mechanical, chemical, or thermal processes; and, thereafter, discharging the energy back to the grid or directly to an energy using system to reduce the use of power from the grid;

(2) define “grid services compensation” to mean any payment to a Class I renewable energy facility or energy storage facility for providing services that support or enhance the functioning or the capabilities of the electric transmission or distribution system made pursuant to terms established by board orders or rules and regulations;

(3) update the definition of “State incentives”;

(4) apply the bill’s provisions to energy storage facilities, in addition to grid supply solar facilities, with the exception that energy storage facilities do not qualify for compensation by an electric public utility for supplying electricity;

(5) clarify that the application criteria and protocols developed by an electric public utility for the evaluation of a Level 3 interconnection application under the bill are to be consistent with any applicable board orders and rules and regulations;

(6) allow electric public utilities to reject interconnections that pose a risk to the reliability or power quality of the electric distribution or transmission system, in addition to the stability of the electric distribution or transmission system;

(7) require electric public utilities to provide an initial feasibility study for the applicant’s review within 90 days of the applicant’s submission of a complete interconnection application;

(8) clarify that any compensation under the bill by an electric public utility to a grid supply solar facility is required to comply with certain provisions of federal law;

(9) allow developers, in addition to owners and operators, of grid supply solar facilities and energy storage facilities to submit an interconnection application under the bill;

(10) require an electric public utility to extend interconnection facilities to an approved applicant, using the utility’s existing infrastructure, including, but not limited to, poles and rights of way;

(11) clarify that any line extension or upgrade made pursuant to the bill is to be done at the sole cost and expense of the applicant, unless a board order issued after the bill’s effective date modifies the interconnection cost allocation methodology, in which case the applicant is to follow the modified methodology;

(12) require approval from the board for grid services compensation;

(13) require the board to adopt rules and regulations to implement the bill’s provisions within 210 days, instead of 120 days, after the bill’s effective date, which rules and regulations are to be based on N.J.A.C.14:8-5.1 et seq., rather than N.J.A.C.14:3-8.1 et seq.;

(14) permit the board to make changes to proposed rules and regulations upon adoption that are necessary to implement the provisions of the bill without filing a new notice of proposal or following certain procedures pursuant to N.J.S.A.52:14B-4.10;

(15) update the bill’s title and synopsis; and

(16) make technical changes.

Governor Murphy Takes Action on Legislation

01/30/2025

TRENTON – Today, Governor Murphy signed the following bills into law:

S-684/A-2334 (Singer, Diegnan/Tully, Swain, Sampson) - Requires telecommunications, cable television, and Internet service providers to allow for service contracts to be paused or canceled following service recipient's admission to long-term care facility

S-720/A-4168 (Burgess, Vitale/Reynolds-Jackson, Atkins, Stanley) - Requires DCPD to consult with Division of Developmental Disabilities following finding of child abuse or neglect to create services plan for person with developmental disability under certain circumstances

S-2331/A-3517 (Ruiz, Vitale/Speight, McCoy, Haider) - "Equitable Outcomes in Child Support Collection Act"; establishes procedures regarding collection of child support on behalf of children in custody of DCPD

S-3179/A-2941 (Cryan/Schaer, Wimberly) - Concerns certain emergency operations plans required to be submitted to law enforcement agencies

S-3308/A-4513 (Scutari, Greenstein/Speight, Karabinchak, Wimberly) - Requires electric public utilities to implement certain improvements to interconnection process for certain grid supply solar facilities and energy storage facilities

S-3879/A-5123 (Timberlake/Morales, Carter, Miller) - Amends lists of projects eligible to receive loans for environmental infrastructure projects from NJ Infrastructure Bank for FY2025

S-3880/A-5124 (Lagana/Swain, Park, Freiman) - Amends list of hazard mitigation and resilience projects approved for funding by NJ Infrastructure Bank under FY2025 Community Hazard Assistance Mitigation Program

S-3881/A-5122 (Cruz-Perez, Beach/Rodriguez, Bailey, Bagolie) - Amends lists of environmental infrastructure projects approved for long-term funding by DEP under FY2025 environmental infrastructure funding program

S-3921/A-5090 (Sarlo/Calabrese) - Reallocates standardbred horse racing purse subsidies from Freehold Raceway to Meadowlands Racetrack under certain circumstances

S-3922/A-5120 (Zwicker, Turner/Peterpaul, Verrelli, Moen) - Appropriates \$18,518,738 from constitutionally dedicated CBT revenues to NJ Historic Trust for grants for certain historic preservation projects and associated administrative expenses

S-3936/A-5119 (Singleton, Johnson/Drulis, Sampson, Murphy) - Appropriates \$60 million from constitutionally dedicated CBT revenues for recreation and conservation purposes to DEP for State capital and park development projects

SJR-76/AJR-101 (Ruiz, Turner/Lampitt, Matsikoudis, Rodriguez) - Designates second Friday in December of each

year as “PSRPs in Our Schools Day” in New Jersey to recognize contributions of paraprofessionals and school-related personnel (PSRPs)

A-4571/S-3472 (Calabrese, Lopez, Verrelli/Zwicker, Johnson) - Makes various changes to powers and duties of NJ Infrastructure Bank

A-4968/S-3839 (Calabrese, Carter/Diegnan, Mukherji) - Modifies list of transportation infrastructure projects eligible to receive loans from NJ Infrastructure Bank for FY2025

A-5121/S-3943 (Katz, Egan, Collazos-Gill/Vitale, Diegnan) - Appropriates \$49.5 million from constitutionally dedicated CBT revenues to DEP for State acquisition of lands for recreation and conservation purposes, including Blue Acres projects, and Green Acres Program administrative costs