



**Solar Transition Comments
Submitted by Gabel Associates
March 1, 2019**

Gabel Associates appreciates the opportunity to provide these comments in relation to the Solar Transition.

Gabel Associates is an energy consulting firm with a long history of supporting solar market issues and policy development. In addition to supporting over 200 renewable projects, the firm has been deeply involved in analyzing solar renewable energy certificate (SREC) issues and market dynamics. Throughout the years, the firm has advocated for a stable SREC environment that cultivates sustainable solar growth within the State.

The firm supports various public (and private) entities with the development of solar projects to reduce energy costs and enhance environmental quality. We bring a different perspective because we work in a consulting capacity for hundreds of school districts, municipalities, counties, and other government agencies to help them reduce their energy bills by going solar.

We want to stress the impact that the BPU's decisions will have on the public sector and the importance of judicious, timely, and transparent guidance as the BPU looks to fulfill the provisions of the Clean Energy Act. It is critical that the BPU implement an effective and timely solar incentive strategy that: (1) does not hurt existing solar projects and (2) allows for the continued growth of solar.

Specifically, we offer the following comments for your consideration:

The BPU needs to act expeditiously to provide clarity on which Solar Registration Program (SRP) applications are under the current SREC program. We also emphasize the need for the BPU to maintain balance in the legacy SREC market to provide value to local government units who relied on a stable regulatory environment when they made their investments.

The BPU also needs to be clear what the treatment will be for any projects that do not receive legacy SREC treatment. There are projects in mid to late stage procurement that do not know today what side of the line they are on, and where their project stands. It is imperative that the BPU acts quickly to tell the market what the value proposition will be when the current SREC program ends and on what side of the line their project falls.

Specifically, the BPU should make an announcement in the very near future that states what type of pricing Pipeline Projects will receive. It is unnecessary to go through a rulemaking process to make this statement. In December 2018, the BPU was able to switch over from the solar add-on in the Renewable Portfolio Standard (RPS) to a solar carve-out without a rule proposal process, and we request that the BPU expeditiously do the same here.

As discussed above, we frequently advise schools, counties, and towns on whether to develop solar to reduce their energy bills and their carbon footprint, which results in lower property taxes and lower emissions -- two priorities of Governor Murphy. The current uncertainty in the BPU's approach to its "policy pause" is making it harder for these government energy users to prioritize and move forward with projects. A reduction in solar project development equals higher operating expenses and higher property taxes, which is contrary to the Administration's goals.

These clients are not solar vendors; they are local government energy users who need clarity to move forward.

In summary, we urge the BPU to provide clarity and resolve these SREC transition issues as soon as possible (the next Board Agenda Meeting), recognizing the importance of protecting current projects as well as fostering a stable market environment for future ones.

We appreciate the opportunity to share these comments and look forward to working with you on these issues.