

Leading the Nation on Community Solar



Community solar projects allow individuals to go solar even if they don't own their home or business, have old or shaded roofs, or face financial barriers to rooftop solar. Community solar enables multiple customers to share the benefits of a single solar energy project, which consumers can subscribe to or, ideally, own in part. It is a powerful tool to expand equitable access to the benefits of solar, and provides every New Jersey resident the opportunity to choose local, reliable, and lower-cost clean energy solutions.

New Jersey's Community Solar program is one of our state's crown jewels, helping to tangibly lower bills for participants while building strong local economies and a resilient clean energy future. Already leading the nation with regards to targeted low-income benefits, overall savings for subscribers, and strong consumer protections, the immediate task for NJ's community solar program is simple – deepen its commitment to equitable program design while broadening its reach, in order to tangibly improve the lives of even more New Jersey residents.

RECOMMENDATIONS

Facilitate Project Ownership in Overburdened Communities

- Require that 20% of New Jersey's community solar projects employ an equity-based subscription model by 2030 and support local community ownership, which has been shown to generate three times the local benefit, when compared with third party ownership¹ and adds wealth building to the myriad other benefits of community solar
- Encourage and build upon the pilot program committed to by the NJ Board of Public Utilities where subscribers own a share of the project,² and develop concrete goals and the means to achieve them, including technical support, designated funding to address high upfront costs, and incentives for developers to partner with communities
- Target community ownership programs in overburdened communities and develop programs through a robust stakeholder process that emphasizes participation from local frontline communities

Use Community Solar to Deepen Community Resiliency

- Ensure that 50% of New Jersey's Community Solar facilities provide community resilience services by 2030, through program design and incentives, to help local communities become more resilient in the face of climate uncertainty
- Pair community solar with energy storage to further strengthen the already meaningful benefits that community solar projects bring to the energy grid, as well as to local communities during blackouts, brownouts, and periods of peak grid congestion
 - Incentivize projects to operate as community resilience hubs during extreme weather events and disasters – with measures in place to ensure that resiliency benefits are concentrated in overburdened communities. This will also help the state achieve its goal of 2,000 MW of energy storage by 2030
- Allow Community solar to participate in NJ's dual-use solar program, as part of an overall strategy to conserve soil quality for NJ farms, protect pollinators, and increase crop yield while generating community-sustaining local clean energy

Photo: Edwin Torres/ NJ Governor's Office



¹ Institute for Local Self Reliance, *Advantage Local: Why Local Energy Ownership Matters*

² Office of the Governor: New Jersey to Receive Over \$156 Million through U.S. EPA's Solar for All Program

RECOMMENDATIONS

Deliver the highest level of public benefits

- Extend the increased thresholds for the community solar program that resulted from federal incentives funding³ that are poised to sunset in energy year 2027
 - Continue the current requirements of serving 80% low income and disadvantaged communities with a 20% minimum guaranteed savings, which improve upon the community solar law's requirement of at least 51% low- and moderate- income communities with a minimum guaranteed bill savings of 15%, to ensure our state's commitment to a clean energy economy does not leave behind roughly half of the population who reside within an overburdened community⁴
- Required or incentivize projects to negotiate meaningful community benefits agreements (CBAs) with local communities
 - Support the development and assessment of CBAs, which are a powerful, versatile, and effective way to ensure that local community needs are met, whether they relate to workforce development, support for local services or projects, resiliency investments, or more
 - Collaborate with stakeholders to create and publicize a recommended CBA template, including a sample of potential benefits, in order to streamline the process of CBA adoption while also giving communities the ability to have their specific needs met

Expand NJ's successful community solar program

- Remove the community solar program's size limit and expand the goal to serve at least 250,000 subscribers by 2030, which would more than triple the size of the program through sustained year-over-year growth and allow more New Jerseyans to experience the benefits of strengthened local communities, cleaner air, improved public health, and lower energy bills



3 Office of the Governor: New Jersey to Receive Over \$156 Million through U.S. EPA's Solar for All Program

4 NJ Department of Environmental Protection: "What are Overburdened Communities (OBC)?"