

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:

¹Senate floor amendments adopted June 28, 2024.

²Assembly 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 applicable 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~~].~~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~~].~~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.

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15 2. This act shall take effect immediately.

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