Comments

In the Matter of the New Jersey Energy Storage Incentive <u>Docket No. Q022080540</u>

Submitted By:

James B. Appleton, President, New Jersey Coalition of Automotive Retailers (NJ CAR) (December 9, 2022)

Thank you for the opportunity to present this written comment on the Board of Public Utilities' (BPU's) proposed Storage Incentive Program (SIP) Straw Proposal.

The New Jersey Coalition of Automotive Retailers (NJ CAR) represents the 500+ franchised new car and truck retailers that grow the \$40 billion auto retail industry in New Jersey. Our members concur with BPU that energy storage resources are critical to increasing the resilience of New Jersey's electric grid, reducing carbon emissions, and enabling New Jersey's transition to 100 percent clean energy. We recognize BPU's objective, in this Straw Proposal, to focus on incentivizing stand-alone energy storage devices physically connected to a New Jersey electric distribution company (EDC). We also recognize BPU's objectives to maximize private investment, to allow private investors to own and operate the energy storage devices and allow them to 'stack' revenues from the wholesale electricity market, to utilize the behind-the-meter resource to actively manage their energy usage at the distribution level or to participate in a Distributed Energy Resource (DER) Aggregation service when available.

We offer the following suggestion in furtherance of those objectives.

Battery storage should be an option for franchised auto dealers who need to overcome existing power utility limitations. The SIP does not specifically recognize battery storage in support of EVSE as a key application for stored energy resources. NJ CAR requests that the SIP be augmented to encourage battery storage/battery buffered solutions at dealerships looking to build out the electric vehicle (EV) charging infrastructure necessary to service the "fleet" of customer vehicles they sell and service. The SIP should recognize and specifically include language that encourages investment in energy storage facilities that support dealership operations needed to sell and service the growing number of EVs being sold in New Jersey.

The commitment of New Jersey franchised auto dealers to supporting EV charging infrastructure is substantial, but they cannot go it alone. Over the next few years, New Jersey franchised auto dealers will have invested upwards of \$140 million in EV charging infrastructure and sales and service support facilities. Notwithstanding those investments, New Jersey dealers have been advised in many instances that New Jersey's utility companies are not positioned to meet the demands associated with that investment. A bottleneck of EV charging infrastructure planning exists at the utility level that may prevent the dealers' investment from being fully operational since the utilities cannot supply sufficient power to the dealers' sites. In this respect, battery storage and battery buffered solutions are options that may be necessary for dealers to overcome power utility company limitations.

Thank you for this opportunity to comment on this proposal.