

[First Reprint]

**SENATE, No. 3489**

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**STATE OF NEW JERSEY**  
**220th LEGISLATURE**

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INTRODUCED JANUARY 19, 2023

**Sponsored by:**

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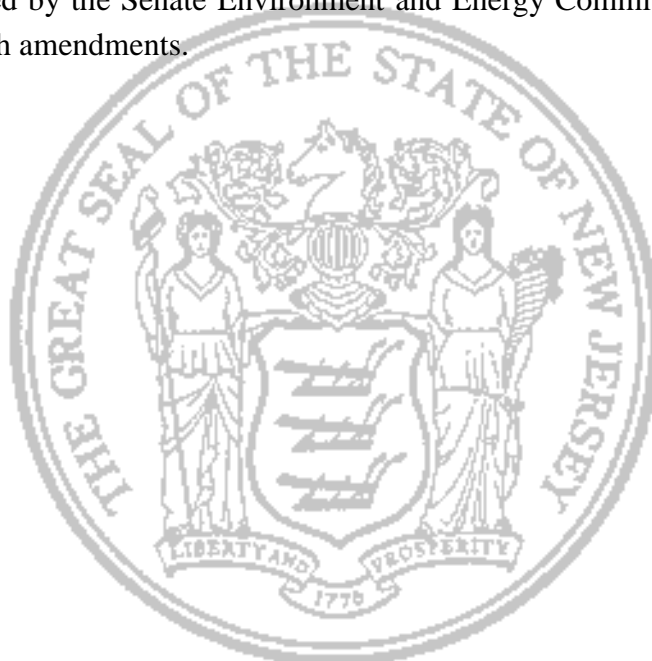
**Senator Greenstein**

**SYNOPSIS**

Requires BPU to study and implement methods to allow additional distributed energy sources to interconnect to electrical grid.

**CURRENT VERSION OF TEXT**

As reported by the Senate Environment and Energy Committee on January 30, 2023, with amendments.



**(Sponsorship Updated As Of: 2/2/2023)**

1 AN ACT concerning distributed energy sources and supplementing  
2 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. The Board of Public Utilities shall conduct a study for the  
8 **purpose** purposes<sup>1</sup> of <sup>1</sup>:

9 (1)<sup>1</sup> identifying, researching, and quantifying the effects of short-  
10 term solutions that could **open** benefit the reliability of the  
11 electrical transmission and distribution system and enable<sup>1</sup>  
12 segments of the electrical transmission and distribution system  
13 **that are currently closed**<sup>1</sup> to host greater amounts of power  
14 from<sup>1</sup> new distributed energy generation sources <sup>1</sup>; and

15 (2) planning for pilot testing and the adoption of rules and  
16 regulations to implement the solutions found pursuant to paragraph  
17 (1) of this subsection<sup>1</sup> .

18 b. The board shall consider the following potential solutions, as  
19 well as any additional potential solutions identified by the board:

20 (1) permitting the flow of electricity, through an electrical  
21 substation, from the distribution system to the transmission system;

22 (2) requiring solar inverters to include <sup>1</sup>, activate, and use<sup>1</sup>  
23 technology that allows the inverter to inject and absorb reactive  
24 power<sup>1</sup> autonomously or in response to remote<sup>1</sup> control **the**<sup>1</sup>  
25 reactive power passing through the inverter **]**<sup>1</sup> ;

26 (3) requiring energy storage systems to include <sup>1</sup>, activate, and  
27 use<sup>1</sup> technology that allows the energy storage system to inject or  
28 absorb real and reactive<sup>1</sup> power **input and output of the system to**<sup>1</sup>  
29 vary in relation to the demand for electric power in the transmission  
30 and distribution system at a given time **]**<sup>1</sup> ; and

31 (4) requiring solar photovoltaic systems to include <sup>1</sup>, activate,  
32 and use<sup>1</sup> technology and services<sup>1</sup> that **enables**<sup>1</sup> enable<sup>1</sup> the  
33 power output of the system to **autonomously**<sup>1</sup> respond to short-  
34 term predictions of<sup>1</sup> weather conditions to control the rate-of-  
35 change of the power output, or other system parameters<sup>1</sup> .

36 c. No later than one year after the effective date of this act, the  
37 board shall prepare and submit to the Governor and, pursuant to  
38 section 2 of P.L.1991, c.164 (C.52:14-19.1), to the Legislature, a  
39 report containing the findings and recommendations of the board,  
40 including any recommendations for legislative, regulatory, or local  
41 governmental action to open up additional segments of the  
42 transmission and distribution system to new distributed energy  
43 generation sources.

**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:

<sup>1</sup>Senate SEN committee amendments adopted January 30, 2023.

1 d. As used in this section:

2 "Board" means the Board of Public Utilities.

3 "Reactive power" means the portion of alternating current  
4 electricity, measured in volt-amperes reactive, that cannot do useful  
5 work due to a misalignment of the current and voltage waveforms  
6 of the electricity.

7 "Transmission and distribution system" means the same as the  
8 term is defined in section 3 of P.L.1999, c.23 (C.48:3-51).

9  
10 2. No later than one year after the board transmits the report  
11 required pursuant to subsection c. of section 1 of this act, the board  
12 shall adopt, pursuant to the "Administrative Procedure Act,"  
13 P.L.1968, c.410 (C.52:14B-1 et seq.), rules and regulations that  
14 implement the report's recommendations for regulatory action. The  
15 rules and regulations shall initially implement the recommendations  
16 as a pilot program in a small region or regions of the State, and  
17 then, if the pilot program is determined by the board to be  
18 successful, the board shall provide for Statewide implementation of  
19 the rules and regulations.

20

21 3. This act shall take effect immediately.