

## RECYCLED AND RECOVERED MATERIALS MANUFACTURING ACT REQUIREMENTS

To all Third Party Suppliers (TPS) and EDCs on behalf of their BGS Providers:

On January 8, 2024, the Governor signed into law P.L.2023, c.254 “an ACT concerning electricity sold to **recovered** materials manufacturing facilities, and amending P.L.2022, c.110 (C.48:3-87.14).

The Act provides that an electric power supplier or basic generation service provider would be exempt from all current and future renewable energy portfolio standards obligations, including Class I RECs, Class II RECs, SRECs, ORECs, or any other RECs, established pursuant to section 38 of P.L.1999, c.23 (C.48:3-87) or any other subsequent law, and any rule, regulation, or board order adopted pursuant thereto, for the amount of kilowatt hours of electricity supplied by that electric power supplier or basic generation service provider to a recycled materials manufacturing facility or **recovered materials manufacturing facility**. The Act also specifies that a recycled materials manufacturing facility or **recovered materials manufacturing facility** shall not be required to pay any charges designed to offset any renewable energy portfolio standards obligation of its electric power supplier or basic generation service provider. The provisions of the bill would apply to all electricity sold to recycled materials manufacturing facilities beginning on January 1, 2022. **The provisions of this subsection shall apply to all electricity sold to recovered materials manufacturing facilities beginning on January 1, 2024**

The Act defines “**recycled** materials manufacturing facility” as a facility that: (1) receives service under an electric public utility rate at or above 110 kilovolts delivery; (2) manufactures products made from recycled materials, provided however, that not less than 90 percent of the content of such products produced in this State meet the definition of recycled materials; and (3) employs not less than 200 employees in this State. “Recycled materials” means any item or commodity which is manufactured or produced in whole or in part from post-consumer waste material.

**The Act defines “Recovered materials manufacturing facility, as a facility that: (1) received service under an electric public utility rate that applied only to the owner of the facility on January 1, 2004; (2) manufactures products made from recovered materials, provided, however, that not less than 50 percent of the content of such products produced in this State meet the definition of recovered materials; and (3) has in place a collective bargaining agreement.**

The Act also requires:

At the end of each energy year, each electric power supplier or basic generation supplier shall (a) submit to the board the sworn affidavit received from each recycled materials manufacturing facility and **recovered materials manufacturing facility** pursuant to paragraph (3) of this subsection, and (b) provide this information on the

Retail Sales Adjustment Form that every electric power supplier and basic generation provider is required to submit to the board at the end of each energy year.

Therefore, the TPS and BGS Provider have until **COB Wednesday May 31, 2024** to determine if they provided retail sales to one of these facilities, have the facility complete a sworn affidavit, and submit the affidavit and the revised retail sales adjustment request form to the BPU. The Affidavit form that is attached to this email must be used to show compliance with these requirements for EY 24. Only retail sales from January 1, 2024 to May 31, 2024 can be readjusted. This form will be used for EY24 exemptions and must be submitted by May 31, 2024 to comply with the Act.

Staff plans to posts the final retail sales number based on GATS numbers and RPS Retail Sales adjustment requests by October 31, 2024. Compliance instructions, EDC/BGS and TPS Reporting Spreadsheets will also emailed and posted on the NJ Clean Energy website ([www.njcleanenergy.com](http://www.njcleanenergy.com)).

The EY 24 RPS Compliance reports are still due by December 1, 2024.

Thanks and let me know if you have any other questions.