

Solar Transition - Working Group Meeting

March 8, 2012 10:00 am to 1:00 pm 1st Floor Multi-purpose Room 44 S Clinton Ave Trenton, NJ 08625

1. OCE Update – Mike Winka

a. Process for getting a recommendation on next steps to the Board

MW: Summary: We started this process to look at the EDC programs in September of last year. We had the CEEEP analysis completed. We put together 2 options a few meetings ago. We asked for a number of different proposals that has helped us to put together the straw proposal.

Next steps in the process: We will listen to the comments today, followed by a comment period after the meeting to find if we need a revised straw proposal or not. We were looking to get this in front of the board by April.

2. HW update on the market as of 2/29/12 – Charlie Garrison

- a. Preliminary installed solar capacity and pipeline
- The preliminary installed solar capacity as of 2/29/12 is approximately 689 MW.
 Approximately 39 MW installed in current month.
 - The preliminary solar capacity project pipeline as of 2/29/12 is approx. 542 MW.
 - The pipeline capacity was 547.9 MW on 1/31/12.

b. Solar installed capacity forecast for EY2012

The 689 MW of solar capacity installed as of 2/29/12 and the additionally forecast installed solar capacity for the remainder of Energy Year 2012 is estimated to be capable of producing approximately 634,700 to 640,400 SRECs during Energy year 2012. This equates to a range of **143.6% to 144.9%** of the EY 2012 RPS requirement of 442,000 SRECs.

3. NJBPU straw proposal for:

- a. EDC SREC program
- b. Solar RPS

Straw proposal can be found at: <u>http://www.njcleanenergy.com/main/clean-energy-council-committees/solar-transition</u>

4. Discussion and Next Steps:

Q: Are we going to be able to do this more than 3 times a year?

MW: That would be a detail to be worked out in the negotiation process

MW: In a rule-making, anything going forward would have a 10 year qualification life

Q: On # 3, do you mean requested or required?

MW: Right now requested is the correct term in the straw proposal.

Q: This process is going to take 12-18 months to go forward, is there any talk of extending the existing process

MW: You would still have to go through all of the things you are doing now, so I don't see how it shortens the process, but we could look into that.

Q: Would the proposal to shorten qualification life effectively create more demand for solar when the capacity drops off?

MW: I think you would need legislative change to change the RPS. Looking at in the long term, the industry doesn't need regulatory support or incentives. This is one way we're looking at it.

Q: #8 - Is your proposal to set aside for grid supply on landfills or brown fields, is that a mandatory element of the program or is that optional?

MW: We haven't thought about that so far. We were leaving that to the EDC's to decide in their filing.

Mike Ambrosio to Lyle Rawlings: Can you clarify your statement about the bill which pushes it back 450 MW, what's the math that we need about half of, or 400 MW in the EDC program? LR: If you take 3 years of the RPS currently that is 420 and you add 450 that would be the total with the acceleration over a 3 year period

MW: The existing increment plus the 400 that would be 800, I see.

Q: How are you going to prevent the industry from overbuilding?

LR: That is the toughest question before us. We can talk about policy, but we can't agree to cut our businesses back. Our industry has been talking about all the ways we can do that. It might mean to take control of the pace of construction, through the SRP registration process.

MW: All comments should be submitted by COB March 15th. Please send those comments to: <u>publiccomments@njcleanenergy.com</u> with the subject line: Comments NJBPU Staff Straw – Solar

We have <u>cancelled</u> the meeting for the 15th. Based on the comments we will either issue this straw as final or issue a revised straw. In addition, the EDCs should submit their comments/positions on their intensions to file or not file an extended EDC SREC program consistent with the provisions of the straw.

We are <u>scheduling a public hearing</u> on the straw proposal. The public hearing has been tentatively set for <u>March 22, 2012</u> at 9:30 in the Multi-purpose Hearing Room, 44 South Clinton Ave., Trenton $NJ - 1^{st}$ floor.

After the public hearing staff will present recommends for the Board's consideration at the May agenda meeting.