

New Jersey Clean Energy Program  
Renewable Energy Committee Meeting  
October 9, 2007

DRAFT

Conservation Services Group Office, Woodbridge, NJ

In attendance: From Sign-In Sheet: Approximately thirty-six people attending in person

By Phone: (approximately 6 people).

1. Introductions

Maureen Quaid reviewed ground-rules for the meeting.

2. 2008 Program Plans and Budgets

Mike Ambrosio began the meeting with a review of the 7&5 report and staff's straw 2008 budget proposal. The straw proposal budget includes total anticipated renewable energy funding of \$172.5 million.

It was noted that these numbers do not include interest on the balance of EDA funds, nor does it include SACP payments.

There was some discussion of the DEP Baseline cost line item, which does not require additional funding from the 2008 budget, and of the utility costs for bill stuffers. There was also discussion of the amount needed for ongoing costs for maintenance of the EDI system.

David Hill presented the Market Manager's summary of program changes for 2008. This presentation included a comparison of 2007 to 2008 budgets and savings for the CORE, Renewable Energy Certificate, Clean Power Choice and Renewable Market Development Initiative. There was extensive discussion on the CORE budget category allocations. Comments on the three various options (including 20%, 8%, and 0% allocation for the GT10kW budget category) are due to the OCE by email by the end of the day Wednesday, October 10<sup>th</sup>. Staff will make a recommendation to the Board and a decision on the budget allocations is expected as part of the October 24<sup>th</sup> Board meeting.

There were also comments on the Market Manger's proposed Renewable Market Development Initiative. There were questions that clarified that the RMDI will target non-solar technologies, and be geared towards projects with potential for relatively rapid development horizons. It was noted that Market barriers to Class I REC development include: 1) proper economics, 2) long-term REC contract, and 3) permitting. There was also discussion of how the proposed RMDI would relate to the \$19 million off-shore wind solicitation. Discussion also clarified that the RMDI as proposed, does provide direct incentives, through a performance based solicitation.

Following this discussion the group worked on a general allocation and review of the total Renewable Energy Program Budgets for 2008. The final budget allocation will be circulated to the list serve along with the meeting notes. David Hill also noted that the Market Managers will revise the program narratives to reflect discussion at the meeting and circulate draft narratives to the list serve for comment by Friday October 12<sup>th</sup>. Comments on the draft narratives will be due by the close of business Wednesday October 17<sup>th</sup>.

### 3. SACP, CRA and EMP Proceedings Update

Mike Winka announced that the SACP is still undergoing legal review. The CRA proceedings will follow the release of the EMP. The CRA will reflect how the proposed CRA budgets and activities support the EMP. The Master Plan is due out in mid to late November. There will be CRA hearings before the end of the year. There will be a straw proposal on the CRA issued 30 days before the hearing. This will look at projected resources (in 4 year horizons) that will be used to support EMP.

### 4. Rule Changes (RPS, Net Metering, Interconnection)

There will be a rule-making kick-off meeting scheduled for Mid November. OCE staff have started meeting with the financial community to review securitization issues. There are some rule proposals that can move relatively quickly. There will be a set of rulemaking meetings and hearings. RPS, Securitization, Grid Supply are thematic topics that will be covered under the rulemaking. All the rules are intended to be completed by May of 08.

### 5. Small Wind Working Group Update

Alma Rivera reported on the release of the off shore wind development request for proposals which has been released. Questions can be posted on the web-site and are due by November 3<sup>rd</sup>. Proposals are due 1/16/08. There will be a pre-proposal meeting for questions and answers on 10/26/07.

Two training workshops are scheduled for the small wind working group. November 29<sup>th</sup>, and December 13<sup>th</sup>. The implementation of the expected performance based buy-down for wind systems is among the topics that will be covered at these sessions.

Alma also reported that some questions and comments from the DCA have been raised on the wind model ordinance. OCE Staff have met with the DCA and are making modifications to the model ordinance and will circulate these.

Information on small wind and other NJCEP programs will be presented at the League of Municipalities conference on 11/15/07.

October 18<sup>th</sup> is tentative date for the next small wind working group meeting.

### 6. RE Technical Working Group & Trainings

Mark Valori reported on the first technical working committee meeting that occurred at CSG's office in Iselin on 10/8/07. Mark asked that suggestions for future technical committee meeting topics be forwarded to him by email.

Next meeting will be November 12<sup>th</sup> from 1-4 p.m.

There was discussion about where both program implementation details (technical working group) and technical issues that also touch upon a broader scope of technical policy issues such as meter setting, timing of anniversary date etc.

The Market Manager team will work to coordinate and schedule meetings so that the technical issues on both the broader and program implementation levels.

Mark also reviewed the schedule for upcoming Market Manager technical trainings and workshops. The DCA also has series of trainings for solar inspectors scheduled for October 23, October 24, December 6, and December 7<sup>th</sup>. There is a \$100 charge for the Inspection workshops. Installers are also able to attend. Bill Brooks is the instructor, Registration information (609) 984-7820.

There was discussion of the need for guidelines on how to handle photovoltaics in a building when there is a fire. The technical working group notes this as a potential future topic.

## 7. CORE Program Update

Larry Barth reviewed CORE program activity. New approvals for the month slowed down due to budget constraints.

There were 106 payments and checks issued in September. The Market Manager team anticipates that the volume of payments will continue to be strong in the remaining months this year.

There have also been two new large surges in new applications related to concerns over the decision to not accept new applications.

Larry indicated that Mark Loeser is contacting and installers that have incomplete applications. Any questions should be directed to Mark.

Charlie Garrison reviewed the budget status. The uncommitted funds at this point are slightly more than \$9 million. New approvals will stop before all \$9 million are allocated due to the size of projects that are near the top of the queue.

Charlie also reviewed the latest version of category status report. As of 9/30/07, 74% of outstanding commitments are approved. 26% have submitted final applications and are in inspection and payment status categories.

There was a request to look at the forecast expiration date by month and tie this to project completions and payments.

## 8. SREC Only Pilot Program Update

Steve Wiese provided an update on the SREC-Only Pilot. He reviewed the weekly activity report. These are posted on the web-site every Monday. Registrations are now up to 263 projects – 109 MW of capacity. 91 projects have been accepted for 32 MW of capacity.

There was a request to start reporting on expected quarter of completion. The Market Manager will start to provide this information.

A question was raised as to whether there have been registrations that have exceeded the entity cap. Wiese responded that there were, and that the Market Managers communicate with any projects that exceed the entity caps, to inform them they have exceeded the entity cap, and allowing them to prioritize the projects submitted. Response on the prioritization of applications is outstanding from some of the parties. Application of the entity cap language was discussed, specifically as to what constitutes an “affiliate,” and there was general agreement that the term carried a financial ownership component, i.e., that two subsidiaries of a company were “affiliates”, but that other arrangements with separate ownership, such as franchises or cooperatives, would not be considered “affiliates.” The entity cap limits any entity to developing 2 MW AC in a rolling 12 month period. Wiese agreed to pursue posting of an SREC-Only Pilot program guidebook, detailing the entity cap and other relevant program information, on the web-site as soon as possible.

Detailed program requirements are also being posted in the guidebook, including metering and monitoring requirements. The program is moving away from projected production and towards actual meter readings. Self reporting allowed for less than 10kW projects, electronic data exchange will be required for >10kW projects. The need for further discussion on the data exchange mechanisms and requirements was identified.

Steve also reviewed the current procedures that are being used for the DC to AC de-rating factor.

He mentioned that a final registration package would be posted to the web site next week.

### Next Meeting

The next two meeting dates are November 13<sup>th</sup> and December 11<sup>th</sup> (tentative). The meetings will be held at Conservation Services Group, 75 Lincoln Highway in Iselin.

## Attendees

### Renewable Energy Committee Meeting

Tuesday, October 09, 2007

1:00PM - 3:00PM

Conservation Services Group

75 Lincoln Highway, Suite 101

Iselin, NJ 08830

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