New Jersey Clean Energy Program Renewable Energy Committee Meeting June 12, 2007

Bloustein School of Planning and Public Policy, Rutgers University

Attendees: 32 (see sign in sheet below); 25 in person

1. SACP, CRA and EMP Proceedings Update

Scott Hunter gave a brief update on the two public hearings on June 6 and 7th in Newark and Trenton. Scott indicated that staff will be working with the comments on the straw proposal. The comment period is open until June 22nd. Instructions for submitting comments are on the Office of Clean Energy web-site.

Lance Miller provided an update on the Energy Master Plan. Two scenarios have been developed, "Business as Usual" and a "20% Reduction" scenario (across all types of energy). Modeling of the scenarios is underway. Electric dispatch model is being reviewed for the electric sector, with outcomes on electric price and emissions impacts. The results of this are fed into a macro-economic model for jobs and other economic impacts. The objective is to meet the Executive Order 54 objectives of how to attain greenhouse gas emission reduction targets. Reach 80% below 2006 levels by 2050. Executive Order 54 sets a target of returning to 1990 emission levels (~145 million metric tons) or better by 2020. Business as usual reaches 160 to 170 million metric tons per year. There is an initial set of actions identified that would meet or exceed the 2020 goal. The economic impacts are being evaluated. Further information on the master plan and greenhouse gas emissions reduction efforts are available on-line.

Summit Blue's final report, which expands upon the SACP and Solar Market Transition to include an overall renewable market assessment will be publicly available at the beginning of July.

2. Small Wind Working Group Update

Alma Rivera, Office of Clean Energy, reviewed activity at the last small wind working group. Nick Sagrillo presented model ordinance at the last meeting and the OCE is reviewing the model ordinance for adoption and distribution in NJ.

Scott Hunter indicated that Long Beach Island is having a second reading (meeting date of 6/15/07) of an ordinance that would restrict maximum hub height for systems to 12 feet. The model ordinance will provide installers and industry advocates with text that could be used to provide a more supportive and consistent ordinances to support market development.

The DOE has funded further small wind working group meetings. Thursday July 12th in Trenton will be the next small wind working group meeting. Venue to be announced.

3. CORE Program Update

David Hill presented results for the CORE program for the period May 11-June, 11 2007. Highlights include:

- Complete and Paid: While there were no payments made in the current period, there was discussion that approximately \$13 million in check requests were expected to be signed this week, and sent by Honeywell to contractors next week. So it is likely checks will be received by customers within the next two weeks. Year to date, payments have totaled nearly \$22 million, representing 157 projects and 8MW.
- 2) New Commitments: There were 115 new commitments (approvals) representing \$4.1 million made in the period, including 54 in the first week of June. Year to date commitments were 273, representing \$11.5 million.

The CORE team has committed to the attain the goals of 50 new approvals per week through a combination of renewed priority, and new business rules enabling faster approvals for less than \$100K systems It was discussed that the pace for new approvals will not result in any sacrifice in the diligence of application review. For example, in the first week of June, 91 applications were reviewed to reach 54 approvals. Additional follow-up and outreach is now taking place for those not approved to ensure these can be promptly resolved and moved into approval status.

To expedite rebate processing it was mentioned that requests for information from the CORE team to update incomplete applications must be responded to within 30 days or projects may be removed from the queue. The CORE team will develop and implement a communication protocol on this topic.

The CORE team agreed to provide the installer community with a list of the top 5 reasons why applications are not being approved.

- 3) Total Commitments: Across all market segments there are 605 total outstanding commitments to projects representing approximately \$85 million in rebates. Approximately \$17 million of this amount was in check request status. The CORE team will be putting increased focus on ensuring that all committed projects are viable and on track for completion.
- 4) Budget vs. Queue: Across all market segments, there are \$22 million in uncommitted funds based on the Board's December 06 budget order. With of \$131 million in total projects in queue, roughly \$108 million of projects will remain in queue, although increased program funding (~\$19 million) may be approved by the Board during the remainder of the 2007 program year.

Other comments which surfaced around the presentation of these reports included:

- a) A suggestion that trend reports and processing times in each phase be made available
- b) There was agreement that we will move to a month end report and eliminate the midmonth report
- c) It was mentioned that inspections are only scheduled after all final paperwork is completed. There was also some discussion about who to the program manager team should contact to schedule inspections. It was agreed there are valid reasons to contact both installer and customer.

Reviewed CORE Program Update report.

CORE Database update – Charlie Garrison reviewed Backbone data extract report and the one to many demographic to array data. In the past procedures have only been to release data that are in check request or that have been completed. Installer name will be included. The data release will only include completed projects. Installed costs will be included with this data. Some expressed concern about the privacy of the some of the information, others feel that all the data is useful to help create growth and transparency in the market. This issue will be revisited as an agenda item at the next meeting.

SREC-Only Pilot

SREC only pilot update. There have been two new applications since the last RE Committee meeting.

Outstanding questions remaining before approvals can be issued are whether the CORE program entity cap applies, and whether only net metered systems are eligible for the pilot. July 11th Board Ruling will clarify the situation for these applications.

Clean Power Choice Update

Clean Power Choice –Ben Larkey provided update. End of first quarter 07 the energy reported by the EDCs is approaching 36,000 MWh. Enrollment data from the EDCs now show roughly 10,000 customers, this is expected to increase significantly for the coming period due to increased marketing.

Eleven communities are now participating and have seen good participation increases in April and May (~166%). Initial results are encouraging for this model. In the last two months additional enrollments in the communities have been roughly 1,000 new customers in the last reporting period. The total goals for communities are 9,000 participants.

Utility customer account look up is a key program tool that is required to help with program enrollment and enlistment. This would enable customers to sign up without

having to provide their account # at the time they sign up. June 14th at 1 pm is a Clean Power Choice Meeting.

Net Metering and Interconnection Working Group Update

Scott reported that JCP&L had declined a request to change the anniversary date.

A sub-set of the interconnection and net metering working group will develop a written proposal and re-start a discussion with the utilities.

Other rule changes are expected in the August 1, 2007 Board Order. Some issues, such as vintage changes, would require a subsequent rule-making.

Discussion of whether interconnected systems or systems that are customer generators, or customers that are net metered are eligible to sell SRECs. There are differing interpretations of the BPU Rule.

Next Meeting

The next meeting two meeting dates are July 17th and August 14th. Both meetings are expected to be held at Conservation Services Group, 75 Lincoln Highway in Iselin.

Renewable Energy Committee Meeting

Tuesday, June 12, 2007

Rutgers University Bloustein School, Room 113 33 Livingston Avenue New Brunswick, NJ 08901

Name

Company

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Ben Larkey
Brian Loss
Charlie Garrison
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Holly Minogue
Julie Weiser
Kimberly Hoff
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Michael Winka
Mike Ambrosio
Natalie Shapiro
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