

WHAT IS SOLAR POWER?



Solar electric or photovoltaic technology converts sunlight into electricity whenever it strikes the electric modules or panels. Photovoltaic panels are installed to capture light and convert it to direct current (DC). A solar inverter then changes the power to alternating current (AC) that is used to meet the electric needs of homes and businesses. The amount of power that is generated depends on the size and the number of solar panels and access to direct sunlight. More electricity is generated when the light is most intense (a sunny day) and strikes the solar electric system's modules directly.

Today, homes and businesses with solar panels remain connected to the electrical grid. That way, when the solar panels are not generating enough power to meet customer needs, additional power can be drawn from the grid.

Renewable energy technologies represent a big step in the fight against global warming.

Reduce your energy usage

The cleanest kilowatt is the one not used. *New Jersey's Clean Energy Program* offers energy efficiency programs, information and resources to help residents, businesses, municipalities and other organizations reduce their energy consumption. By implementing energy efficiency measures first, you not only reduce your overall energy use, but you may also reduce the amount of renewable capacity that you need, saving you money for years to come. Visit NJCleanEnergy.com to see how to start.

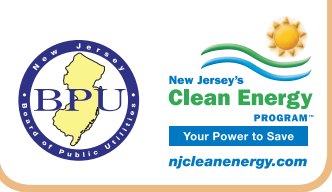
Learn about more renewable energy options

There are additional renewable energy technologies to help us meet our energy goals and reduce our use of fossil fuels.

For more information on renewable energy initiatives, call 866-NJSMART or log on to NJCleanEnergy.com/RE.



NJCleanEnergy.com



RENEWABLE ENERGY



Solar Power— A Bright Idea for New Jersey

Harness the power of the sun for clean, renewable energy. It's a smart way for New Jersey residents, municipalities, businesses, schools and other building owners to reduce their carbon footprint, stabilize electric costs, preserve natural resources and support the economy.

MAKE SOLAR POWER PART OF YOUR ENERGY FUTURE

New Jersey is one of the leading states in the country in terms of the number of solar installations and installed capacity.

Residents, businesses and municipalities across New Jersey are already seeing the benefits of solar power.

- Reduces pollution
- Stabilizes electric costs
- Lessens our dependence on fossil fuels
- Preserves natural resources
- Strengthens our commitment to our planet's future
- Increases our self-reliance
- Supports local jobs and our State's economy

GETTING STARTED

The New Jersey Board of Public Utilities and its *Clean Energy Program™* make it easy to get started. The first step towards installing a solar energy system is to find an installer. The Trade Ally Database on NJCleanEnergy.com/findavendor includes a list of renewable energy installers that have completed at least three projects in New Jersey. It is recommended that customers interview at least three installers to discuss design and cost considerations before choosing an installer and discussing financing options.

FINANCING YOUR SYSTEM

Solar Renewable Energy Certificates –

SRECs can provide a recurring source of revenue to help finance solar installation projects.

New Jersey is one of the fastest growing markets for solar photovoltaics in the United States and one of the largest in terms of both installations and installed capacity. Much of this success is due to New Jersey's solar financing model, which relies on the Renewable Portfolio Standard (RPS) and the use of SRECs.

Representing all of the clean energy benefits of a solar energy system, SRECs can be sold or traded separately from the power, providing solar system owners a recurring source of revenue to help offset the cost of installation. All solar project owners in New Jersey with electric distribution grid-connected systems are eligible to generate SRECs. Each time a system generates 1,000 kilowatt hours (kWh) of electricity, an SREC is earned and placed in the customer's electronic account in the SREC tracking system.

The SREC tracking system is a web-based tool that enables account holders to track solar energy system production from individual generators and records the transfer of SRECs from generators to purchasers.

The SREC Registration Program allows owners of solar projects to register their projects prior to the start of construction in order to establish the project's eligibility to earn SRECs. Registration is required no more than 10 business days following execution of a contract for installation.



Tax Incentives –

A 30 percent federal investment tax credit may be available for businesses and residents on the cost of the system. An accelerated depreciation schedule may also be available for businesses. Visit irs.gov for more information about federal tax incentives or speak with a tax specialist.

Net Metering –

When a renewable energy system produces more electricity than the customer actually uses, the customer will be compensated with credits at the full retail value of the electricity production over and above what they use. Production in excess of a customer's annual usage is credited at a wholesale rate.



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