



## **Renewable Energy Committee Meeting**

February 14, 2013 BPU 1<sup>st</sup> Floor Meeting Room - Trenton, NJ 1:00 pm to 3:30 pm

#### I. OCE Updates

- a. Board Orders and Proceedings
  - 1. Mike Ambrosio: The board order that adopted 2013 programs talked about having more of the costs shifted to the clean power marketers and having the utilities having further discussions with staff, which they have had. The utilities have agreed to continue providing the existing set of services they're providing to the clean power marketers, provided that there are no incremental costs and that change to their compliance filing with that agreement is on the agenda for next week.
  - 2. Mike Winka: We have an extension until the end of June for current programs and are working on the four year funding levels/CRA for the Clean Energy programs. We have to get back to the Board before that time. There's some additional data that we're getting on the energy efficiency side and additional cost from results of the market potential study that they completed. With that, we have a proposed schedule...
    - Mike Ambrosio: Yes, Mona said that the revised straw would come out Mid-March. The hearing is scheduled April 23<sup>rd</sup>, comments April 26<sup>th</sup> then back on the May agenda.
  - 3. Mike Winka: Ok. So that will set the funding level, which is more on the EE side rather than the RE side but there is the renewable energy market assessments that are under consideration. Once the funding level is set (or close to set), we'll be starting discussions on the annual budget levels. The SBC credit program, the schedule for the rule making is on the next Board Agenda.

## b. Regulatory / Legislation Update

1. Scott Hunter: The items from the January 23<sup>rd</sup> agenda were emailed out. There were several items listed under the energy division

provisions dealing with the extensions of the EDC solar finance programs, including the Solar Loan III, JCP&L and PSE&G Solar 4 All programs. The Board Orders were circulated. Also, the Sandy Storm Response Board Order from that agenda meeting has been circulated. We issued a subsequent clarification via secretary letter about the dates of coverage for the waiver that was granted to projects that were adversely affected in submitting their SREC Registration package within ten days of having an executed contract. The intent is that projects that had a contract executed between October 19<sup>th</sup> and November 30<sup>th</sup> would have the ability to submit a certification that they had intended to submit the package in the timeframe required by the regulations but were thwarted by the storm. So, we would accept it as compliant with a certification that we're putting the finishing touches to. It would be similar to the certification that is on the Boards website for the Energy Efficiency programs.

- 2. There was an extension of a PSA for Nautilus Solar and there were off shore wind rule amendments.
- 3. There were two solar act issues from the board agenda meeting; the first was a rule making that did not result in a board order. It is currently being vetted at the Office of Administrative Law and it will be posted in the NJ register that codifies the SACP schedule changes and the change in the SREC Contingent that changes the life from 3 years to 5 years for SRECS as required by the Solar Act.
- 4. The other Solar Act item that did result in a Board Order regarding subsection T and subsection U. Subsection U: The legislature required that we set up an SREC Registration program, which we have. In subsection T, it required the Board develop a certification program for projects proposed on landfills, brownfields and areas of historic fill that would allow them to be a grid supply project and not require them to seek approval under the other sub sections of the solar act. We have developed a process and the Board directed us to finalize that certification process. We worked with the DEP and it takes the form of the proposal we made in November at the DEP public hearing. The opportunity will be for projects to get a full certification or a conditional certification based on the type of land. The solar act requires us also to develop an incentive for these projects, but it didn't require us to do it in 180 days, and we realize there is some contention from stakeholders about what the form of the incentive would be 180 days would not be sufficient time to accomplish this. So we would use the CRA (Comprehensive Resource Assessment) process to

develop new levels of incentives. We have not had any funding for solar in the Clean Energy Program for a while now because of the solar transition, but due to this requirement, the legislature recognizes that these are more costly projects and they may need an additional incentive. Staff is currently considering how to address this in the CRA process. We have always asked for funds in the CRA, but the way it works is that you typically propose funds for a market segment, but it hasn't been decided that funding is needed given the state of the SREC market. We will talk about this more in the next agenda item.

#### II. Discussion of the Solar Act

- a. Status of proceedings; q., r., s., e (4), w
  - 1. Rachel Boylan: Staff is hopeful that we will move an order establishing a process for Q and S applications at the March or April Agenda meeting. For e (4), we have a statutory directive to establish rules within 270 days, which expire in April. Therefore, we need the rules on the March agenda. We have solicited input from the stakeholders on this provision. We're in the process of reviewing those submissions and incorporating, where appropriate, recommendations into draft rules.
    - Scott Hunter: We have a stakeholder meeting on this tomorrow as well (2/15/13).
  - 2. Rachel Boyland: For W, the Board has been directed to determine whether net metered projects of 3 MW or greater require a supplemental incentive to make them economically viable. We're developing and staff is reviewing comments to develop a position. We must have a recommendation on that to the Board at the March Agenda meeting.
    - Katie Bolcar Rever, SEIA: I just want to confirm that in terms of section Q, there's no reason anyone should be thinking about putting an application in until we see what comes out of the Board Order in March or April, correct?
      - a. Scott Hunter: Correct
- b. Investigating Approaches to Mitigate Solar Volatility
  - 1. Discussion of submitted comments
    - Comments were posted to the Renewable Energy Committee Logistics page on the Clean Energy Program website: <a href="http://www.njcleanenergy.com/main/clean-energy-council-committees/renewable-energy">http://www.njcleanenergy.com/main/clean-energy-council-committees/renewable-energy</a>
      - a. Submitted Comments:
        - i. Renu Energy
        - ii. Quantum Solar

- iii. EffiSolar Development
- iv. MSEIA
- v. SEIA
- Scott Hunter: Due to the fact that we had short time to circulate, read and digest these comments after the deadline, we will pick up this issue as needed in the next agenda meeting in more detail.

#### III. Program Updates

- a. Installed Capacity Update Charlie Garrison
  - 1. The preliminary installed solar capacity as of 1/31/13 is approximately 973 MW.
    - Approximately 17.8 MW installed in current month
  - 2. The preliminary solar capacity project pipeline as of 1/31/13 is approximately 732 MW
    - The project pipeline decreased approximately 13 MW in the current month.
- b. Data collection for solar projects by land use type
  - 1. Brownfield: 11 projects; 20,950 kW installed capacity
  - 2. Farmland: 11 projects; 68,791 kW installed capacity
  - 3. Landfill: 7 projects; 17,151 kW installed capacity
  - 4. Parking Lot: 48 projects; 23,896 installed capacity
  - 5. Various: 8 projects; 30,037 installed capacity
  - 6. Grand Total: 85 projects; 160,827 installed capacity
  - 7. Information is based upon responses provided by participants to request for information from the Market Manager. This is not a full and complete representation of all solar projects located on these land use types.
- c. Operations Update Tammy Gray
  - 1. 493 SRP Registrations received in January, 212 as of February 11<sup>th</sup>.
  - 2. 716 Final As-Built packets received in January.
  - 3. 684 SRP Registration Acceptance letters for 15 MW approved in January.
  - 4. 507 SRP completions and rebates processed for 12.5 MW completed in January.
  - 5. Webinar scheduled for February 21<sup>st</sup>, 2013 at 9 am for program clarifications for process and requirements.
- IV. Update on Interconnection Issues John Teague
  - a. Agenda for 2-15-13 NM INX Stakeholders Meeting
    - 1. The OCE received the net metering and interconnect semi-annual reports from the four EDC's which covers July December of 2012. They are on the Clean Energy website for review:

http://www.njcleanenergy.com/renewable-energy/programs/net-metering-and-interconnection

- 2. The meeting tomorrow will be in Trenton at 10 am until 4 pm.
- b. EDC Net Metering billing issues
  - 1. Last Thursday, the OCE participated in the EDI workshop via conference call. Some issues presented were that the 3<sup>rd</sup> party suppliers complain that they have no way of knowing when the customer becomes a net metering customer. The EDC's have no way of notifying the 3<sup>rd</sup> party suppliers and that they are in the net metering process. The EDC's are also not consistent with all the data that is presented to the 3<sup>rd</sup> party suppliers. We discussed the differences in the information that was supplied by the four EDCs. The major problem is that a large majority of the 3<sup>rd</sup> party suppliers do not understand the net metering process. The number of billing issues we have addressed in the past year and half is about 51, and it takes away from the staff's regular duties as well as the EDC's and the staff of the 3<sup>rd</sup> party suppliers. When these issues were presented, Brandon Siegel mentioned that Pennsylvania has made some control changes to their EDI system and he emailed us what they were, including the 814 change that enables the utility to notify the active supplier of the addition or removal of a net metered account Another is 867, monthly interval usage has been suggested for a change so that there is flexibility to the report. This will help us in dealing with the 3<sup>rd</sup> party supplier issues. There will be another meeting next month and the participants will discuss the changes. The changes will have to be submitted and discussed at each EDC's IT department.

#### V. RPS issues – Ron Jackson

- a. 2012 RPS Compliance Update,
  - 1. From the Energy year 2012 compliance report, the total sales estimate as of September 28<sup>th</sup>, 2012 was 77,377,951 MWh of retail sales. As of today, what was reported was 76,935,091 MWh which is 99.4% of what we had sent out originally. What is more interesting is the number of Solar RECs that are required for compliance this year was 442,000 SRECs, what was reported was 438,900 SRECs, which is 99.3%, but there were only 4 SACP payments that had to be paid. We're still figuring out why there is a 400,000 MWh difference in the estimates we got and what was reported, which is why we haven't sent much out. There were also more ACP's reported than SACP's. There were 27 Class One ACP payments and there were 10 Class Two payments made. So, we are

continuing to research this and narrow this number. We are still around 99% of what we estimated in September.

- b. Implementation of metering requirement at NJAC 14:8-2.9 (c)
  - 1. Staff has been receiving a lot of questions and concerns about the necessity of a revenue grade meter (ANSI C12 meter) as opposed to using production numbers for projects that were not required to install a meter originally. Wanted to clarify that this was a policy that never changed, but the implementation has, as GATS was prompting customers to calculate on their own the production, and ruling required more verified information.
  - 2. Discussion of deficiencies with meter reporting for documenting meter readings, multiple meters, or if meters break over time ensued between meeting participants. Scott Hunter directed that participants with comments should submit them in writing so they can understand the details more clearly and will respond.

### VI. Other Topics / New Business

a. Next RE Meeting is Wednesday, March 13<sup>th</sup> in Trenton.

# Renewable Energy Committee Meeting Attendees

Tuesday, February 14, 2013 Board of Public Utilities

1:00pm - 3:30pm

Initial	Name	Company	Phone	E-mail
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Х	Ferguson, Tim	Garden Solar	(908)246-1510	tferguson@gardensolar.us
Х	Garrison, Charlie	Honeywell	(973) 890-9500	charlie.garrison@honeywell.com
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Х	Hoff, Kimberly	CSG	(732) 218-3410	kimberly.hoff@csgrp.com
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