

P.L. 2022, CHAPTER 110, *approved September 15, 2022*
Assembly, No. 4254

1 AN ACT concerning electricity sold to recycled material
2 manufacturing facilities, and supplementing P.L.1999, c.23
3 (C.48:3-49 et seq.).
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5 **BE IT ENACTED** *by the Senate and General Assembly of the State*
6 *of New Jersey:*
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8 1. a. As used in this section:

9 “Recycled materials” means any item or commodity which is
10 manufactured or produced in whole or in part from post-consumer
11 waste material.

12 “Recycled materials manufacturing facility” means a facility
13 that: (1) receives service under an electric public utility rate at or
14 above 110 kilovolts delivery; (2) manufactures products made from
15 recycled materials, provided that not less than 90 percent of the
16 content of such products manufactured in the State meet the
17 definition of recycled materials; and (3) employs not less than 200
18 employees in the State.

19 b. (1) Notwithstanding the provisions of section 38 of P.L.1999,
20 c.23 (C.48:3-87), or any rule, regulation, or board order adopted
21 pursuant thereto, to the contrary, an electric power supplier or basic
22 generation service provider shall be exempt from all renewable
23 energy portfolio standards obligations, including Class I RECs,
24 Class II RECs, S RECs, ORECs, or any other RECs, established
25 pursuant to section 38 of P.L.1999, c.23 (C.48:3-87) or any other
26 subsequent law, and any rule, regulation, or board order adopted
27 pursuant thereto, for all kilowatt hours of electricity supplied by
28 such electric power supplier or basic generation service provider to
29 a recycled materials manufacturing facility.

30 A recycled materials manufacturing facility shall not be required
31 to pay any charges designed to offset any renewable energy
32 portfolio standards obligation of its electric power supplier or basic
33 generation service provider, including Class I RECs, Class II RECs,
34 SRECs, ORECs, or any other RECS.

35 (2) For each electric power supplier or basic generation service
36 provider requesting the exemption established by paragraph (1) of
37 this subsection, the kilowatt hours of electricity sold to recycled
38 materials manufacturing facilities shall be subtracted from the total
39 kilowatt hours of electricity supplied to all customers in the State by
40 that electric power supplier or basic generation service provider
41 during that energy year such that the reduced total retail sales
42 number shall be used to calculate the renewable energy portfolio
43 standards obligation for each energy year.

1 (3) Each recycled materials manufacturing facility shall provide
2 its electric power supplier or basic generation provider with (a)
3 documentation establishing that it meets the definition of a recycled
4 materials manufacturing facility, and (b) a sworn affidavit which
5 certifies the number of kilowatt hours of electricity that the electric
6 power supplier or basic generation provider sold to that recycled
7 materials manufacturing facility during that energy year.

8 (4) At the end of each energy year, each electric power supplier
9 or basic generation supplier shall (a) submit to the board the sworn
10 affidavit received from each recycled materials manufacturing
11 facility pursuant to paragraph (3) of this subsection, and (b) provide
12 this information on the Retail Sales Adjustment Form that every
13 electric power supplier and basic generation provider is required to
14 submit to the board at the end of each energy year.

15 (5) The provisions of this subsection shall apply to all electricity
16 sold to recycled materials manufacturing facilities beginning on
17 January 1, 2022.

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19 2. This act shall take effect immediately.

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22 STATEMENT

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24 This bill would revise the applicability of certain provisions of
25 the “Electric Discount and Energy Competition Act,” P.L.1999,
26 c.23 (C.48:3-49 et al.), concerning energy sold to recycled materials
27 manufacturing facilities.

28 The bill provides that an electric power supplier or basic
29 generation service provider would be exempt from all current and
30 future renewable energy portfolio standards obligations, including
31 Class I RECs, Class II RECs, SRECs, ORECs, or any other RECs,
32 established pursuant to section 38 of P.L.1999, c.23 (C.48:3-87) or
33 any other subsequent law, and any rule, regulation, or board order
34 adopted pursuant thereto, for the amount of kilowatt hours of
35 electricity supplied by that electric power supplier or basic
36 generation service provider to a recycled materials manufacturing
37 facility. The bill also specifies that a recycled materials
38 manufacturing facility would not be required to pay any charges
39 designed to offset any renewable energy portfolio standards
40 obligation of its electric power supplier or basic generation service
41 provider. The provisions of the bill would apply to all electricity
42 sold to recycled materials manufacturing facilities beginning on
43 January 1, 2022.

44 The bill defines “recycled materials manufacturing facility” as a
45 facility that: (1) receives service under an electric public utility rate
46 at or above 110 kilovolts delivery; (2) manufactures products made
47 from recycled materials, provided however, that not less than 90
48 percent of the content of such products produced in this State meet

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1 the definition of recycled materials; and (3) employs not less than
2 200 employees in this State. “Recycled materials” means any item
3 or commodity which is manufactured or produced in whole or in
4 part from post-consumer waste material.

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9 Excludes electricity supplied to recycled materials manufacturing
10 facilities from renewable energy portfolio standards.