

## **New Jersey Board of Public Utilities**

### **PRESS RELEASE**

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#### **New Jersey Leads the Nation with Expanded Commitment To Solar and Clean, Renewable Energy**

*New Renewable Portfolio Standard Sets Goal for 20 Percent Renewable by 2020 Including Solar Set Aside of 1500 MW, the Nation's Largest Per Capita Solar Commitment*

(Newark, NJ) - The New Jersey Board of Public Utilities today voted to approve new regulations which expand the State's Renewable Portfolio Standard (RPS) by extending the existing goals out to 2020 and increasing the required amount of renewable energy and solar energy. Under the newly adopted regulations, 20 percent of New Jersey's electricity must come from renewable sources by 2020. The new regulations also include a 2-percent solar set aside which is forecast to require 1500 MW, the nation's largest solar commitment relative to population and electricity consumption.

“Governor Corzine challenged all of us to create an ambitious new framework for energy policy in the 21st Century,” said NJBPU President Jeanne M. Fox. “Strengthening the RPS will ensure the continued transformation of New Jersey's energy market. Increased use of renewable resources and specifically solar photovoltaics will provide greater fuel diversity for New Jersey, while simultaneously reducing price volatility, strengthening the economy, improving public health and reducing greenhouse gases that threaten our shoreline.”

“The revised standard will remove a total of 15.3 billion pounds of carbon dioxide, a heat-trapping gas that causes global warming, which is the equivalent of taking 1.3 million cars off the road. The standard will also remove 29.1 million pounds of nitrogen oxides, a smog-creating ozone precursor that is also associated with pulmonary and respiratory disease, which is the equivalent of taking 761,781 cars off the road,” said Suzanne Leta, energy advocate for the New Jersey Public Interest Research Group.

The RPS requires companies that provide retail electric service in New Jersey to either purchase or produce a minimum percentage of qualified renewable energy to residents and businesses in New Jersey in their portfolio of electrical supply. This BPU decision increases the current RPS requirement by more than five times from 4 percent for Class I Renewables to 20 percent, while extending the time that suppliers must meet the RPS from 2008 to 2020. The RPS increases incrementally on an annual basis between 2008 and 2020.

In addition to extending the RPS to 2020, the revised regulations also require the electricity produced by New Jersey solar photovoltaic systems increase to 2 percent by 2020. This new solar goal will expand New Jersey's solar market from 90 MW to be installed by 2008 to 1500

MW of solar electricity by 2020. New Jersey is one of the fastest growing solar markets in the country, having grown from six solar installations in 2001 to over 1,200 today. The new goal will continue to spur market development and is considered the largest solar goal in the country on a per capita basis (exceeded only by California, which is four times the size of New Jersey in population and electricity consumption).

To meet these goals, the RPS mandates the use of Renewable Energy Certificates for compliance. The proposed rule change was published in the New Jersey Register on October 17, 2005, accepted written comments for 60 days and received a public hearing on December 6, 2005.

The Electric Discount and Energy Competition Act of 1999 initially established interim RPS requirements that envisioned four percent of the state's electricity coming from renewable sources by 2012. In 2003, a renewable energy task force recommended accelerating the interim RPS from 2 to 4 percent and establishing a long-term goal for New Jersey to get 20 percent of its electricity from such sources by 2020. In 2004, the NJBPU requested the Center for Energy, Economics, and the Environment (CEEEM) at the Bloustein School of Planning and Public Policy of Rutgers University to conduct an extensive analysis to determine the economic feasibility and environmental benefits of the 20 percent RPS goal. In December 2004, CEEEM issued a report supporting the establishment of the 20 percent requirement by 2020.

The NJBPU conducted extensive stakeholder outreach on increasing the state's RPS requirement including a series of public forums hosted in collaboration with CEEEM and a 60 day comment period. Two public forums were held that were open to all interested parties and provided stakeholders and the public an opportunity to participate and contribute to the discussion. In addition CEEEM hosted a forum in February 2005 with two panels of experts discussing its December 2004 RPS Report. CEEEM invited independent experts on this topic to discuss and critique the report's assumptions, methodologies, and conclusions. Following this forum, CEEEM held two further meetings regarding the extension of the RPS beyond 2008 to 20% in 2020. Further input was obtained from an ad hoc working group of the Clean Energy Council, an advisory group to the NJBPU on clean energy matters as well as from over 8,000 interested stakeholders across the country that submitted written comments.

The public record of comments can be found online at [www.bpu.state.nj.us](http://www.bpu.state.nj.us).

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*The New Jersey Board of Public Utilities (NJBPU) is a state agency and regulatory authority mandated to ensure safe, adequate, and proper utility services at reasonable rates for New Jersey customers. Critical services regulated by the BPU include natural gas, electricity, water, wastewater, telecommunications and cable television. The Board has general oversight responsibility for monitoring utility service, responding to consumer complaints, and investigating utility accidents. To find out more about the Board of Public Utilities, visit our web site at [www.bpu.state.nj.us](http://www.bpu.state.nj.us).*

