Navigating New Jersey’s Solar Transition

April 28, 2020
Housekeeping Items

- Ask questions using the form in the webinar control panel
- Questions can be submitted at any point during the webinar
- We will leave a minute or two at the end of the webinar if you would like to submit your questions at that time
- You can also send in questions after the webinar is completed to the link we will provide
Disclaimer

This presentation is provided for informational purposes only. Any views expressed during this presentation do not necessarily represent views of the New Jersey Board of Public Utilities, its Commissioners, or the State of New Jersey. The information in this presentation is subject to changes to New Jersey statutes, rules, regulations, and policies. Please always ensure that you have consulted the most recent legal authority in the matter.
Agenda

• Clean Energy Act of 2018
• Closure of SREC Registration Program (SRP)
• SREC and TREC Eligibility
• Options for Transferring from SRP to Transition Incentive Program (TI)
• TI Project Types and Factors
• TI Requirements
• Resources
Pursuant to the Clean Energy Act of 2018, P.L. 2018, c. 17 (“Act”), NJBPU must: 1) close the SRP to new applications upon the attainment of 5.1% of the kilowatt-hours sold in the State from solar electric power generators connected to the distribution system (5.1% Milestone); and 2) modify or replace the SREC program.  

**Applicable rules and regulations include:**

- **Orders dated October 29, 2018 dated February 27, 2019, Docket No. QO18070698**, I/M/O THE MODIFICATION OF THE SOLAR RENEWABLE PORTFOLIO STANDARD.

- **Order dated July 10, 2019, Docket No. QO19010068** I/M/O A NEW JERSEY SOLAR TRANSITION PURSUANT TO P.L. 2018, C.17 - Provided conditions for SRP projects to be eligible for Transition Incentive Program.

- **Order dated December 6, 2019, Docket No. QO19010068** I/M/O A NEW JERSEY SOLAR TRANSITION PURSUANT TO P.L. 2018, C.17 - Established the Transition Incentive Program.

- **Rule Adoption effective February 3, 2020:** Amended RPS rules to update eligibility criteria in light of SRP closure.

- **Order dated March 27, 2020, Docket No. QO18070698** I/M/O THE CLOSURE OF THE SREC REGISTRATION PROGRAM PURSUANT TO P.L. 2018, c. 17.: Clarified SRP processes and waived certain rules in light of COVID.

- **Order dated 4/6/2020, Docket No. QO18070698 and QO19010068:**
  - I/M/O THE CLOSURE OF THE SREC REGISTRATION PROGRAM PURSUANT TO P.L. 2018, c. 17.I
  - I/M/O A NEW JERSEY SOLAR TRANSITION PURSUANT TO P.L. 2018, C.17 - CALCULATION OF 5.1% MILESTONE FOR SREC PROGRAM CLOSURE.


*Note: For more links and resources, please see the Solar Proceedings webpage at: [https://njcleanenergy.com/renewable-energy/program-updates-and-background-information/solar-proceedings](https://njcleanenergy.com/renewable-energy/program-updates-and-background-information/solar-proceedings)*
Closure of the SRP and Next Steps

- SRP portal will be closed to new registrations on 4/30/2020 11:59:59 p.m. EST.

- To be eligible for SRECs, a complete Final As-Built package with a “Permission To Operate” (PTO) letter dated on or before 4/30/2020 must be submitted within 90 days of the date of the permission to operate. See exception below:

  Per Board Order 4/27/2020, certain projects impacted by COVID-19 may be eligible for an extension to receive PTO for purposes of determining SREC eligibility. For complete projects that applied for local code inspection or PTO by April 30 but were unable to fulfill due to COVID delays, the SRP portal will remain open to submit final inspections and PTO no later than ninety (90) days following the end of the Public Health Emergency or State of Emergency established by Executive Order No. 103 (Murphy, 2020), whichever ends later.

- The Transition Incentive Program (TI) portal will open on 5/1/2020.

*Note: There will be some subsection t projects that submitted their application to the Board prior to 10/29/2018 and are subject to the requirements in the corresponding Board Order. These projects will remain in the SRP pipeline until completion. The developers for these projects should work directly with the Program Manager for submitting any documents to complete in the SRP portal.
COVID-19 Inspection and PTO Delay

• Projects that are mechanically complete by 4/30/2020 and that would have received the final inspections necessary to reach PTO prior to 4/30/2020 but for the COVID-19 state of emergency may apply for a waiver of receiving PTO by 4/30/2020 for purposes of SREC eligibility.

• Projects that fall into this category must submit the following items to the SRP Administrator (see Board Order for full details):
  • Affidavit that failure to obtain PTO was attributable to COVID-related closures;
  • Affidavit that the projects was complete but for final inspections and PTO prior to 4/30/2020;
  • Date-stamped pictures of the array, inverter, and balance of system equipment;
  • Date-stamped evidence of correspondence with local code officials and/or evidence that the application to energize was submitted to the EDC;
  • Executed milestone report form.

**Note:** This waiver **DOES NOT ALLOW** projects to energize prior to receiving local code compliance approval or a PTO from the EDC.
## 90 Day Requirement-Determining Eligibility for SRECs and TRECs

<table>
<thead>
<tr>
<th>Date Application or Registration is Submitted</th>
<th>Type of Project</th>
<th>Complete Final As-Built Packet with PTO Dated on or Before 4/30/2020 submitted within 90 Days</th>
<th>Complete Final As-Built Packet with PTO Dated After 4/30/2020 submitted within 90 Days</th>
<th>Incomplete Final As-Built Packet on Day 91</th>
</tr>
</thead>
<tbody>
<tr>
<td>On or before 10/29/2018</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Application</td>
<td>Subsection t</td>
<td>Eligible for SRECs</td>
<td>Eligible for SRECs</td>
<td>Remain eligible for SRECs until expiration date set out in Board Order</td>
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<tr>
<td>Application</td>
<td>Subsection r</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Registration</td>
<td>Behind the Meter</td>
<td>Eligible for SRECs</td>
<td>No longer eligible for SRECS</td>
<td>No longer eligible for SRECS</td>
</tr>
<tr>
<td>After 10/29/2018</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Application</td>
<td>Subsection t</td>
<td>Eligible for SREC</td>
<td>No longer eligible for SRECS</td>
<td>No longer eligible for SRECS</td>
</tr>
<tr>
<td>Application</td>
<td>Subsection r</td>
<td>Eligible for SRECs</td>
<td>No longer eligible for SRECS</td>
<td>No longer eligible for SRECS</td>
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<td>Registration</td>
<td>Behind the Meter</td>
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<td>No longer eligible for SRECS</td>
<td>No longer eligible for SRECS</td>
</tr>
</tbody>
</table>
The TI program is a bridge between the Legacy SREC Program and a to-be-determined Successor Incentive program.

The TI program will be available to:
1) cancelled or expired SRP projects,
2) projects that have not reached commercial operation (defined as receiving PTO letter) when NJBPU closes the SREC Program at the 5.1% Milestone on 4/30/2020, and
3) new applications until the establishment of a Successor Program registration program.

New Subsection r projects are not eligible to participate in TI Program.

The TI program consists of fixed-price, 15-year Transition Renewable Energy Certificates (TRECs).
Options For Transferring from SRP to TI Program

Prior to 90 Day Deadline (90 days from May 1, 2020):

- Request that your SRP Registration be transferred to the TI portal; you will need to enter the TI portal to confirm your project's type associated with the appropriate TREC factor.

- Cancel your SRP Registration on or before the 90 Day deadline and reapply with a new application in the TI portal.

On or After Day 91:

- All active SRP registrations that have not submitted a complete Final As-Built package with a PTO dated prior to 4/30/2020 will be automatically transferred to the TI portal and will be required to enter the TI portal to select the Project Type associated with the appropriate TREC factor. *See Note below

- Projects under the SRP statuses Pending Uploads, Possible Duplicate or Pending Approval to Install are not considered active; they will be cancelled in SRP and will be required to reapply under the TI Program.

*NOTE: There will be some subsections t projects that submitted their application to the Board prior to 10/29/2018 and are subject to the requirements in the corresponding Board Order. These projects will remain in the SRP pipeline until completion. The developers for these projects should work directly with the Program Manager for submitting any documents to complete in the SRP portal. Projects that received a waiver due to COVID-19 will be also remain in the SRP pipeline.
Day 91-Steps For Transferring to TI Program

Note: This same process will apply to projects that proactively request to be transferred before Day 91.

Day 91 ➔ SRP Projects Transfer to TI Portal under Status: “Eligible for TI Program” ➔ Email Issued with TI Project Number and Instructions How to Select Factor ➔ Log Into Portal to Select Project Type (Factor)

- Status in TI Portal Changes to previous SRP Status and New Expiration date assigned*
- SRP Registration is Cancelled and Issued Cancellation Letter

- All SRP documents and correspondence will be carried over to TI portal once factor is assigned
- The existing SRP Portal Log In information will carry over to the TI Portal
- The TI portal will have the same workflow as the SRP portal

*based on project
Using the table below, the Project Type must be identified in the online portal to determine the appropriate factor for TREC eligibility.

<table>
<thead>
<tr>
<th>Project Type</th>
<th>Factor</th>
<th>NJ Certification Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Subsection (t): landfill, brownfield, areas of historic fill.</td>
<td>1</td>
<td>NJ-XXXXXX-SUN-I-LBH-TREC</td>
</tr>
<tr>
<td>Grid supply (subsection (r)) rooftop</td>
<td>1</td>
<td>NJ-XXXXXX-SUN-I-GSR-TREC</td>
</tr>
<tr>
<td>Net-metered non-residential rooftop and canopy</td>
<td>1</td>
<td>NJ-XXXXXX-SUN-I-NMNRRC-TREC</td>
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<tr>
<td>Community Solar</td>
<td>0.85</td>
<td>NJ-XXXXXX-SUN-I-CS-TREC</td>
</tr>
<tr>
<td>Grid supply (subsection (r)) ground mount</td>
<td>0.6</td>
<td>NJ-XXXXXX-SUN-I-GSGM-TREC</td>
</tr>
<tr>
<td>Net-metered residential ground mount</td>
<td>0.6</td>
<td>NJ-XXXXXX-SUN-I-NMRG-TREC</td>
</tr>
<tr>
<td>Net-metered residential rooftop and canopy</td>
<td>0.6</td>
<td>NJ-XXXXXX-SUN-I-NMRRRC-TREC</td>
</tr>
<tr>
<td>Net-metered non-residential ground mount</td>
<td>0.6</td>
<td>NJ-XXXXXX-SUN-I-NMNRG-TREC</td>
</tr>
</tbody>
</table>
TI Project Type and Factors

- The Transition Incentive is structured as a factorized renewable energy certificate (REC). This allows for differentiated financial incentives for different types of solar installation.

- If you are adding capacity to a previously installed system that participated in the SREC Registration Program or any previous NJ solar program where the solar system was eligible for SRECs (Solar Renewable Energy Certificates), you are required to install a new revenue grade meter for the added capacity. The added capacity would then be eligible for TRECes.
TI Project Types and Factors

Options for projects for which multiple factors could apply:

1. Transfer SRP Registration to TI Program with the existing project and receive the lower applicable Factor.

2. Cancel the SRP Registration and submit two new separate applications under each Project Type in the TI Program. Each application will receive the appropriate factor and a distinct TI project number, acceptance date, expiration date, and NJ Certification number. **Note:** *Each system must have a designated revenue grade meter installed.*

3. Transfer SRP Registration to the TI portal and submit revised TI Program documents reflecting the changes to the system under one distinct Project Type. Submit a new application in the TI Program for the portion of the system that falls under the other Project Type. Each project will receive the associated factor based on the Project Type. **Note:** *Each system must have a designated revenue grade meter installed.*
TI Requirements

• All SRP registrations that transfer to the TI portal will receive an expiration date of 4/30/2021, except: subsection (r) projects will retain the expiration date set in the Board order granting conditional certification; subsection (t) projects will receive an expiration date that is the later of the date set in the Board order granting conditional certification or April 30, 2021.

• All new TI applications submitted in the TI portal will receive an expiration date that is one year from the date of the registrant's notice of conditional registration; or two years from the date of the Board Order for subsection (t) projects.

• No new subsection r projects are eligible to participate in the TI program.

• The 14-day rule for compliance in SRP has been removed in the TI Program. If a non-compliant SRP registration opts to transfer to TI, the project will no longer be deemed non-compliant with the 14-day rule and no longer subject to the 12-month penalty.
TI Requirements (cont’d)

• No extension will be granted in the TI portal. Any extension request must be submitted to the New Jersey Board of Public Utilities (NJBPU).

• The timeline to correct any minor deficiencies in a TI application is seven business days. If the minor deficiencies are not addressed within 7 business days, the application will be rejected, and you will be required to reapply with a new TI application packet. The new TI application will have no reference to the previous application.

• For net metered projects, a Disclosure Form is required with the initial TI application packet in lieu of the requirement to submit a contract.

• The Final As-Built Technical Worksheet for the TI Program was revised to a one-page document. All detailed equipment information (breakdown of arrays, inverters and meters) must be entered into the application portal.

• Site host Utility Bill page that shows the account number, address and identifies the appropriate electric rate tariff for the site location.
Questions?

• Enter your question in the webinar chatbox

• Check out the Frequently Asked Questions webpage: https://njcleanenergy.com/renewable-energy/program-updates-and-background-information/solar-transition-frequently-asked-questions

• Check out the Solar Proceedings webpage: https://njcleanenergy.com/renewable-energy/program-updates-and-background-information/solar-proceedings

• Email us at solar.transitions@bpu.nj.gov
More Information

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