

Solar Act of 2012 Stakeholder Meeting

November 9, 2012

~~Net Metering and Interconnection Stakeholder Meeting
September 21, 2012~~

Discussion of Net Metering Aggregation Standards from the Solar Act (P.L. 2012 c. 24, July 23, 2012)

I. Amendments to the RE Definitions

N.J.A.C. 14:8-1.2

1. Section 3 of P.L.1999, c.23 (C.48:3-51) is amended to read as follows: C.48:3-51 **Definitions** relative to competition in the electric power, gas, solar energy and offshore wind industries.

3. As used in P.L.1999, c.23 (C.48:3-49 et al.):

“Net metering aggregation” means a procedure for calculating the combination of the energy usage for all facilities owned by a single customer where such customer is a State entity, school district, county, county agency, county authority, municipality, municipal agency, or municipal authority, and which are **served by a solar electric power generating facility** as provided pursuant to paragraph (4) of subsection e. of section 38 of P.L.1999, c.23 (C.48:3-87);

II. Amendments to the Net Metering Standards at N.J.A.C. 14:8-4.1 and Interconnection Standards at N.J.A.C. 14:8-5

e. Notwithstanding any provisions of the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.) to the contrary, the board shall initiate a proceeding and shall adopt, after notice, provision of the opportunity for comment, and public hearing:.....]

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...Such standards or rules shall be effective as regulations immediately upon filing with the Office of Administrative Law and shall be effective for a period not to exceed 18 months, and may, thereafter, be amended, adopted or readopted by the board in accordance with the provisions of the "Administrative Procedure Act."

(4) net metering aggregation standards **to require electric public utilities** to provide net metering aggregation to **single electric public utility customers** that operate a solar electric power generation system installed **at one** of the customer's facilities *or on property owned by the customer*, provided that any **such customer is** a State entity, school district, county, county agency, county authority, municipality, municipal agency, or municipal authority.

Missing PART D. #36

The standards shall provide that in order to qualify for net metering aggregation, the customer's solar electric power generation system **shall be sized** so that its annual generation does not exceed **the combined metered annual energy usage** of the qualified customer facilities, and the qualified customer facilities shall all **be in the same customer rate class** under the applicable electric public utility tariff.

For the customer's facility or property on which the solar electric generation system **is installed**, the electricity generated from the customer's solar electric generation system shall be **accounted for pursuant to the provisions of paragraph (1)** of this subsection to provide that the electricity generated in **excess** of the electricity supplied by the electric power supplier or the basic generation service provider, as the case may be, for the customer's facility on which the solar electric generation system is installed, over the annualized period, is credited at the electric power supplier's or the basic generation service provider's avoided cost of wholesale power or the PJM electric power pool real-time locational marginal pricing rate.
(ONE HOST ALL kWH OFFSET, excess at LMP)

All electricity used by the customer's qualified facilities, with the exception of the facility or property on which the solar electric power generation system is installed, **shall be billed at the full retail rate** pursuant to the electric public utility tariff applicable to the customer class of the customer using the electricity.

A customer may contract with a **third party** to operate a solar electric power generation system, for the purpose of net metering aggregation. Any contractual relationship entered into for operation of a solar electric power generation system related to net metering aggregation shall include **contractual protections** that provide for adequate performance and provision for construction and operation for the term of the contract, including any appropriate bonding or escrow requirements.

Any incremental cost to an electric public utility for net metering aggregation shall be fully and timely recovered in a manner to be determined by the board. The board shall adopt net metering aggregation standards within 270 days after the effective date of P.L.2012, c.24.

Such rules shall require the board or its designee to issue a credit or other incentive to those generators that do not use a net meter but otherwise generate electricity derived from a Class I renewable energy source and to issue an enhanced credit or other incentive, including, but not limited to, a solar renewable energy credit, to those generators that generate electricity derived from solar technologies.