

Renewable Energy Committee Meeting

November 14, 2011
CSG Office - Iselin, NJ
1:00 pm to 3:00 pm

Meeting Called to order 1:05 pm
Introductions

Regulatory Update (M. Winka)

The latest issue at the BPU- President Soloman is returning back to the bench. That will happen quickly. Depending on timing it might happen before the end of the year, which will require a nomination process. The board will be managing with an interim president, As noted in the newspaper, Bob Hannah worked with Christie and now works in the department of public law & safety. So depending on the nomination process and the timing for the senate hearings, that should happen before the end of the year.

Agenda item 1a: The work group reports and meetings on the follow up to the work group reports have been completed. Comment periods closed and staff is working to complete the EMP. Soloman wants to see if the EMP can be completed while he's still President of the board. He's done a number of things that he'd like to see continue. EMP is probably one of the biggest things.

From the Nov 9th agenda: The MSEIA petition to return the funds back to the utilities was denied. The board approved that denial and the petition is in the signature process. The 8th solicitation results for EDC SREC program was approved by the board. They were great results for all the markets, small large and mega. The average price for the net present value for a 10 year contract were in the mid \$200 for an SREC and low was in the \$100 range. These were significant results from our standpoint. The last item from the agenda was an approval of budget modifications for the state energy plan on one of the federal programs, the State Energy Efficiency Renewable Products program.

On the agenda for November 30th will be the 6th revision to the budget. In that revision will be the recommendation to the board for the multifamily finance program, the revision to the offshore wind budget to allow for the payment of the consultant for offshore wind, and then a process to move the CEMI (REMI) and combined heat and power program to EDA. There may be some outstanding issues on smart growth. The agenda could change though.

Agenda Item 1b, Legislation: There are some bills on the solar side, one by Greenstein, which would have kept the funding level the same for EE in 2012, and increased the RPS by 30%. There's a bill in regards to the Solar RPS schedule, it included a revision to the solar ACP schedule. There's various rumors of what go or won't go during the lame duck session.

Agenda Item 1c, 2012 NJCEP Plan and Budget Proceedings: Comment period closed on Friday. We want to have it on the December 14th agenda. We're shooting for the end of this week for finishing any major changes to the budget.

Agenda Item 1d, Solar Transition – Next Steps: We had our first real workgroup meeting two weeks ago, and last week was the solar ACP hearing. We had two people comment. I don't think anyone's position has changed for solar ACP. It's mainly the positions of the parties around the ACP be increased but not decreased over time. The various parties see the ACP as a price setter or not. We will take the comments (ended today) and wrap them up with a recommendation to the board on a rule proposal. The next meeting is the 17th in Iselin. We will put together two position papers on what to do. The BPU email system changed, my new email is: M.winka@bpu.com.

Mike Ambrosio: As a result from appeals we've been processing. There are two changes to the 2012 filing we wanted to talk about. Under current procedures we have some projects that had issues with holding up the rebate, an appeal or rejection, etc. The current policy is to withdraw the project from REIP and go into SRP. The first proposal is to change the process such that, if it has a rebate project and is appealing or disputing, they can get the SRECs in the meantime without withdrawing their rebate application. The Honeywell team will look at changes in their procedures in the meantime. The second issue is for the solar projects that applied during the time when there was an adder for EE, there has been a lot of disputes of whether the EE standard was met or not pending the submittal of the EE support documentation. In order to ensure that these don't stay open ended forever, we are going to they'd have 60 days from the expiration of the rebate to submit the EE documents. If it's not submitted then at the end of the EE timeline they would get the lower adder amount or just no rebate for over 10 kW. We've asked Honeywell to include that in the 2012 plan.

Scott Hunter: You might need to make that date from the board order because some are already expired

MA: Correct, that's a good point. It would either be 60 days from the rebate expiration or the board order.

Tammy Gray: So that would mean for those that aren't getting a rebate we would we process under REIP or would they have to apply under SRP?

Charlie Garrison: We'd have to work with Sue to implement that.

Chris Peters, Rate Council: Can Mike repeat the section about off shore wind, relative to the 2012 filing?

MA: It's actually relevant to the 2011 filing. The board issued an RFP and hired a consultant to assist with review for the off shore wind apps, there was a proposal to shift \$200,000 to the offshore wind budget. The entities that submit applications already submit fees with the app to cover the cost of the consultant. However there's a percentage that needs to be paid to the consultant prior to the fees, so it's really a cash flow issue. All the consultant fees would be covered by the application fee, but there's a proposal to move \$200,000 to the off shore wind budget to pre pay some of the costs.

Rate Council: There were 3 items related to 2011 filing – I got REMI/CEMI, off shore wind, what was the third item?

MA: It's actually two others that were on the EE side. One is a multi family financing program and the other is a stand alone CHP program that would be administered by EDA.

Sara, Rate council: The two or three you just mentioned, have you posted these changes?

MA: Yes and Rate council commented on them.

Sara: The changes to 2012 filing- I gather you haven't solicited comments on these two changes?

MA: That's correct

Sara: We made a comment, so can you circulate the proposed changes so we can decide if we should submit new comments.

MA: Ok we'll put something together.

MW: By the end of the week we can put together a short summary of the changes based on what we heard.

Status Update (S. Hunter)

a. Rule amendments that were proposed March 30, 2011. Staff was working on the comment response document. The goal is to have that available at the December 14 agenda. We can have the SACP rule proposal at the same time hopefully. We also have the adjacent sites net metering interconnection rules, we've gotten comments. I'm not sure how close we are but maybe all will be on the Dec 14th agenda.

b. Small Wind: We still have a hold on processing new rebates in that program. We've taken comment on a revised program for the 2012 NJCEP compliance filing. The Market Manager's are putting that into a final straw. I'm still not 100% confident that the new changes will protect consumers in this program from the manufacturers/installers. The goal was to have a revised program for the 2012 compliance filing.

c. Biopower working group meeting: We are putting the finishing touches on the 2012 compliance filing that the Market Managers will be presenting at the biopower stakeholder meeting on 11/17 in Iselin.

2012 Program Planning (C. Garrison)

Comment period ended Nov 12, the Market Manager will review comments with OCE and incorporate feedback into final compliance filing as needed.

NJ REMI Incentive will end on 12/31/11 and the NJ EDA has outlined plans for NJ Clean energy Manufacturing Incentive (CEMI) in their 2012 Compliance Filing (give NJ REMI link). March 31, 2012 will be the absolute deadline for processing paperwork.

MA: Is there a budget associated with unused dollars?

MW: I think as they have unused dollars.

MA: Will you have any on the website up and running this year?

EDA: It depends on timing.

MW: If we wait until December, they do an MOU and we're in 2012.

MA: Do we need a budget associated with it, and if so, do we shift dollars within the EDA?

MW: The one million has to stay with HW. We would just move money around with your budget.

Audience Member: Is the EDA manufacturing incentive the same as the last two years? We were told then that a year and a half ago there was no financing in EDA for the \$5 million.

MW: The CEMF is still 50%, the CEMF would be available to access the CEMI. The incentive would be structured on the type of equipment. It depends on what they were approved by EDA. In the CEMF there's a 50-50 match on the 3.3 million, so you would have to come up with \$3.3 million yourself. The board is clear they want to do this but not take on a lot of risk. We manage this risk by having that 1 to 1 match. In today's climate there have been some discussions to have more risk on the board's end though.

Audience Member: have they financed any projects yet?

MW: Yes 6 or so? Solar, EE monitoring systems inverters, etc.

Audience Member: No wind though?

MW: If you apply and meet the requirements then they would be recommended to be approved.

Scott Schultz: So at the beginning of next year, REMI becomes CEMI – now CEMI certification must be done through the EDA, so everyone under REMI is not grandfathered?

SH: They have to apply through the CEMF.

CG: The Small Wind Working group on October 18th discussed draft recommendations that were sent around. We're going to review those with the OCE and see if any changes would be made, once that is done it will show up in a compliance filing.

Biopower is on a similar track, and they have a work group meeting on 11/17/11 at 9:30 am in Iselin. The MM will send draft recommendations prior to the meeting.

Preliminary 2012 RE Funding

Market Manager Programs	\$Millions
REIO Wind/biopower	
Rebate/ feasibility studies	\$6.600
Program Admin	\$3.400
Total	\$10.000

Sara (Rate Council): The last two pages of Charlie's presentation- the biopower program and the chart. The biopower program, is that a proposed change in the draft budgets?

CG: No changes in dollars in the budget, just procedures. We would likely to closely align the biopwer rebates to those in the energy efficiency side.

Sara: and those changes will be discussed at the 17th meeting?

CG: Yes.

Patel Builders: For small wind, do the wind turbines need to be approved by the state?

CG: Yes it has to be approved by the small wind certification or field listed or the international requirements. We have a lengthy write up, we can send it to you.

2011 Program Update (C. Garrison)

The preliminary installed solar capacity as of 10/31/11 is approx 490.5MW.
That's based on 44 MW installed in the current month of October.

The preliminary solar capacity project pipeline as of 10/31/11 is over 571 MW.
Approximately 564 MW (98%) of the pipeline projects are registered in the SRP program.

Deactivation Analysis by expiration date:

11/1/2009 to 10/31/2011 (24 Months)

REIP – 20.9%

SRP – 15.3%

This is exclusive of scrub rate.

2011 Operations Update (T. Gray)

TG: The SRP Trend continues – we received 713 registrations in October. We also received a total of 672 Final As-Built packages, 94 were REIP and 578 were SRP. YTD we've approved 6760 approvals of 650 MW and issued 4,553 NJ cert #'s at 201.8 MW.

NJREMI – We have 5 projects in processing rebate at \$60,840.32 and we have preliminary requests of 18 projects in the pipeline.

Update on Interconnection Issues

A. Complaint Form

CG: For the EDC Complaint process on the website, things are going well. One change we have made is that instead of having a set date – the volume is low enough that it will automatically go to the EDC, so it will be more real-time.

B. 12/9/11 Net Metering and Interconnection Technical Working Group Meeting in Trenton

JT: On the tech working group a notice was sent out to the listserv and we requested comments and suggestions. I've gotten some suggestions. I hope to have the final agenda out by the end of the month.

JL: The next meeting in December is cancelled. Early January should be the next one.

Renewable Energy Committee Meeting

Attendees

Monday, November 14, 2011
 Conservation Services Group

1:00pm - 3:30pm

Initial	Name	Company	Phone	E-mail
	Ambrosio, Mike	AEG		mambrosio@appliedenergygroup.com
	Bachmann, Joanne	VEIC	(732)218-4430	joanne.bachmann@csgroup.com
	Barth, Larry	NJR	(732) 919-8040	LBARTH@niresources.com
	Cadoret, Josh	ACE	(856)351-7705	joshua.cadoret@pepcoholdings.com
	Corkedale, Olivia	Gabel Associates	(732) 296-0770	olivia@gabelassociates.com
	Damiani, David	CSG	(732)218-4420	david.damiani@csgroup.com
	Fried, Michael	Solus Energy.com		mike@solusenergy.com
	Garrison, Charlie	Honeywell	(973) 890-9500	charlie.garrison@honeywell.com
	Gray, Tammy	VEIC	(732) 218-3418	tammy.gray@csgroup.com
	Heller, Theresa	VEIC	(732) 218-3415	theresa.heller@csgroup.com
	Hoey, Brigitte	NJ Solar Power	(732) 269-0309	brigitte@njsolarpower.com
	Hunter, Scott	OCE/NJBPU	(609) 777-3300	
	Lupse, Janja	CSG		janja.lupse@csgroup.com
	Mason, Casi	Corbin Solar	(732)536-3004	casi@corbinsolar.com
	Miller, Jeffrey	Lee & Associates	(201) 707-4024	jeffrey.miller@lee-associates.com
	Miller, Jeffrey	Quadrillion Solar Partners	(201) 707-4024	jmiller@quadrillionsolar.com
	Mitchell, Allison	BPU		allison.mitchell@bpu.state.nj.us
	Muskatt, Rosalie	New Age Solar	(609)223-0277	rosalie@newagesolar.com
	Patel, Tarun	Tahishi LLC	(848)459-1188	windworldnj@gmail.com
	Patnaude, Suzanne	Solyndra	(908)331-2598	suzanne.patnaude@solyndra.com
	Peracchio, Anne Marie	NJ Natural Gas	(732) 938-1129	aperacchio@njng.com
	Peters, Christopher	Acadian Consulting Group	517.518.1294	cpeter9@gmail.com
	Rager, Clay	Rager Energy Consultants	(609)221-7423	clay@ragerenergy.com
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	Schuld, Jeffrey	Gone Green Technologies	(732) 379-5550	jschuld@gonegreentech.com
	Schultz, Scott	Advanced Solar Products		scott@advancedsolarproducts.com
	Steindel, Sarah	NJ Division of Rate Counsel		ssteindel@rpa.state.nj.us
	Thompson, Howard	Russo Tummuly for PPL	(973) 993-4477	hthompson@russotumulty.com
	Toner, Maureen	Sherwood Electric Solar	(609)652-6122	sherwood509@aol.com
	Winka, Michael	NJBPU-OCE	(609) 777-3335	michaelwinka@bpu.state.nj.us
	Zeglarski, Sandy	NJEDA		szeaglarski@njeda.com
	Zislin, Neal	Renu Energy	(908) 371-0014	nzislin@renuenergy.com