

Remote Net Metering

Staff Assumptions and Questions toward development of a Straw Proposal for Implementation of Section 6. of the Clean Energy Act of 2018

Staff is working to implement the Clean Energy Act signed by Governor Murphy on May 23, 2018. P.L. 2018, Chapter 17, Section 6 on page 27 requires the Board to establish an application and approval process for Remote Net Metering (“RNM”) within 120 days of the law’s enactment. Staff will discuss these assumptions and questions with stakeholders in an open public meeting scheduled for **July 31, 2018**.

Stakeholders are encouraged to submit written comments. All written comments must be sent to **publiccomments@njcleanenergy.com**. Comments should be submitted in PDF or Microsoft Word Format, and follow the instructions detailed below. If applicable, quantitative assessments should be submitted in unlocked Microsoft Excel spreadsheets. All comments must be received on or before **August 7, 2018**. Late submissions will not be accepted.

The results from stakeholder input will be used by Staff to develop recommendations for the Board which are anticipated to be presented at an upcoming **Agenda Meeting**. The following key provisions of the Clean Energy Act require stakeholder input:

- Definitions for key terms or concepts including public entity, credit, total average usage;
- The application and process for Board approval of certified public entities to act as host and other public entities designated to receive “credits”;
- Procedures for sizing the “remote net metering generating capacity” based on “total average usage” of the host’s electric public utility accounts;
- The processes for electric distribution company (“EDC”) billing of and “allocating credit to other public entities”; and
- The process for verifying and ensuring that “each participating customer” pay at least 50 % of the societal benefits charge (“SBC”).

Staff Assumptions and Questions for Stakeholder Input

Please address the following Staff assumptions and questions with supporting arguments:

1. Definitions for key terms or concepts:
 - a. Define “Public Entity” - Should the eligibility criteria for aggregated net metering established in the Solar Act of 2012 be used to determine eligibility under RNM? If not, what are the alternatives? Provide references where the term has been used by the State.
 - b. Define “credit” - How should the Board establish the value of the credits which may be applied to the customer’s bill, i.e., should components of a generating or a receiving customer’s utility bill be used as the benchmark for defining the value of the credit? Should locational marginal pricing (“LMP”) where the electricity was produced be used or some other measure?
 - c. Define “total average usage” for the host customer’s utility accounts as cited toward the determination of maximum capacity of the RNM generator.
 - d. Provide examples from other states that should be considered.

2. RNM Application and Agreement between Host and Other Public Entities:
 - a. Staff anticipates requiring an RNM Application to be submitted as an addendum to a fully executed, standard form Interconnection Application submitted by a developer to the EDC for a fully defined project.
 - b. The RNM Application must be submitted along with a fully executed standard form of Agreement between the public host entity and other public entities designated to receive credits.
 - c. The RNM Application will list all host customer accounts including location and account number, as well as the account numbers for Other Public Entities accounts (within the same territory).
 - d. The RNM Application must list the proposed capacity and location of the RNM generator.
 - e. Suggest other items necessary to include on an RNM application.
 - f. Suggest other items necessary to include on a standard form of Agreement between host and designated public entities.

3. RNM eligibility:
 - a. What determines eligibility of a host customer’s accounts used for sizing the RNM generation capacity?
 - b. What determines eligibility of a receiving customer’s accounts used for applying the credit?
 - c. When should the Board require demonstration that the owner of the solar project has paid the certified public entity a pro-rated public sponsor fee?

4. Credits:

- a. How are credits to be assigned to the “other public entities” designated for receipt?
- b. Who should verify that “each participating customer” pays at least 50% of the SBC? Does this include the host and all “other public entities” designated for receipt of credits?