



Renewable Energy Committee Meeting Notes

February 16, 2016

CLEAResult Offices, 75 Lincoln Highway, Suite 100, Iselin, NJ

***Disclaimer:** This RE Committee is an opportunity for stakeholders and other interested parties to have open and frank discussions regarding policy and issues confronting the renewable energy community that are within the jurisdiction of the Board. These meetings are intended to address issues of general concern. Staff cannot comment on or provide specific answers to questions about pending applications or petitions. Ultimately, information provided and positions developed during these meetings may or may not form the basis for Staff recommendations to the Board. By law, statements made by Staff cannot bind the Board in its decisions. Only the Board can make decisions on these matters at its Open Public Meetings. While attendees may choose to record or take notes of the meeting, please refrain from interrupting the flow and/or tenor of the discussion with questions that pertain to your note-taking.*

I. Introductions (J. Lypse)

Ms. Lypse called the meeting to order at 1:00 pm and asked the participants in the room and those on the phone to introduce themselves. Mr. Hunter then read the disclaimer above.

II. OCE Updates (S. Hunter, M. Ambrosio)

a. Updates on Filings, Board Orders and Regulatory Items

Mr. Hunter reported that at the January 27 Board agenda meeting, the Board deferred action on a clean power licensing issue; dealt with three fuel cell applications and approved a revised budget for the NJCEP. He said the Board also approved proposed rule changes that were transmitted to the Office of Administrative Law (OAL). OAL will review them for compliance and publish them in the New Jersey Register for a 60-day public comment period. He noted that the rule proposal contained prescriptive changes and “housekeeping” changes, as well as discretionary changes on Subsection (r) of the Solar Act of 2012. He said the next agenda meeting may have one or two Subsection (t) applications and an extension petition for an EY2014 Subsection (q) project.

b. FY16 Second Revised Budget

Mr. Ambrosio said the Board approved a reallocation of \$19.8 million to the CHP program. \$3 million came from the REIP program through the cancellation of deactivated projects, although sufficient funds remain in the REIP for the FY2016 renewable electric storage and biopower programs. He said other funds came from administration, EDA programs, marketing and energy resilience projects.

c. Proposed Budget and Program Modifications

Mr. Ambrosio said the residential new construction (RNC) program has committed all its funds, and no new commitments will be made. He said the RNC will reflect new energy codes that will become effective in March. Refrigerator pick-ups are expected to resume in March with a new vendor to replace the bankrupt previous vendor. He noted that the proposed program changes will be put before the Board at its March agenda meeting.

d. Transition update and training on the new on-line portal

Mr. Ambrosio announced that Tammy Gray will be joining the new team on March 1. He noted that AEG will manage the solar program while ICF will manage renewable electric storage and biopower. He said online training sessions on the new electronic application process for the SRP will be held on February 18 and 19. AEG will not accept paper applications going forward; electronic applications may be submitted through the portal as of March 1. He said applicants who submitted paper registrations that are currently sitting in the queue are being advised to resubmit their registration packets online after March 1.

III. Update on the Solar Act (S. Hunter)

a. Subsection (q)

Mr. Hunter reported that Staff continues to monitor the status of all applications.

b. Subsection (t)

As he noted earlier, Mr. Hunter said one or two Subsection (t) applications may be on the agenda for the Board's February meeting.

c. Subsection (r)

Mr. Hunter reiterated that the Board approved a proposal to amend the RPS rules to include an application process for Subsection (r) which has been forwarded to OAL for review and publication in the New Jersey Register. A sixty day public comment period will follow publication of the proposed rules.

IV. Electric Storage Program Assessment Study (F. Farzan -- Rutgers LESS)

(Presentation distributed as RU LESS-DNV Updates 2-16-16) Mr. Farzan presented the preliminary results of one customer segment analysis, including a project description, economic dispatch, capability for covering critical load, and financial and economics of a hospital-sited, renewable electric storage use case scenario. He reported on a case study for a five-story hospital in PSE&G's service area, showing savings estimates based upon the facility's peak and critical load assumptions being met with renewable electric storage.

V. Program Updates

a. NJ Solar Market Update (C. Garrison)

(Previously distributed as Presentation #1) Mr. Garrison reported that installed solar capacity in the state as of December 31, 2015 was approximately 1,604 MW, with 36.9 MW installed in December. He said there were more than 42,000 solar installations in the state at the end of last year. The solar pipeline contained an additional 10,549 projects totaling approximately 402 MW. Total capacity installed in 2015

was 69.7% of what was installed in 2014, although the number of projects increased by more than 50%. He also reported on the Subsection (q), (s) and (t) grid supply projects that were installed in 2015 and those that are currently in the pipeline.

Mr. Garrison further reported that as of January 31, 2016, cumulative solar installed capacity increased by 19.8 MW to approximately 1,624 MW and more than 43,000 installations. He also provided a breakdown of behind-the-meter vs. grid supply installations, SREC activity and trading prices.

b. Operations Update (T. Gray)

(Previously distributed as Presentation #2) Ms. Gray reported that the trend for high volumes of SRP registrations continued in January. She said more than 1,200 acceptance letters were issued in January, and 1,373 Final As-Builts were submitted that month. She also provided data on behind-the-meter vs. grid supply projects and residential vs. non-residential acceptance and certification letters.

c. Biopower (M. Ambrosio)

Mr. Ambrosio said there have been discussions on the creation of consistent incentive levels between the biopower and CHP programs, although he noted that the CHP program is currently closed to new applications.

d. Renewable Electric Storage rebate program update (K. O'Rourke -- ICF)

Ms. O'Rourke reported that the FY2016 RES program will launch on March 1. She said the application will be online and will open at 9:00 am on March 1 on a first come, first served basis. She added that application instructions will be posted on the website on Tuesday, February 23, and that an FAQ document has been posted on the website and will be updated as new questions come in.

VII. Update on Interconnection Issues (J. Teague)

a. Net Metering & Interconnection update

Mr. Teague said that EDC billing complaints have decreased over the past month, although complaints against power purchase agents (third party solar owners) have increased. He said most of the complaints are coming in through the NJCEP website.

VIII. RPS issues (R. Jackson)

a. RPS rulemaking

Mr. Jackson said Mr. Hunter has already reviewed the proposed rule changes.

b. RPS EY15 Compliance Update

Mr. Jackson said that he has not been approved to share the data, although he was able to report that all BGS providers and all but one third party supplier have submitted reports. He said the one non-reporting supplier declared bankruptcy last year.

c. Out-of-State MSW Class II REC Update

Mr. Jackson reported that Staff and the DEP asked the eight out-of-state MSW operators participating in the NJ RPS market to submit updated environmental compliance documents by February 1. He said DEP reported that four of the eight have submitted the documents thus far.

IX. Utility Financing Programs

The solicitation manager for the EDC long-term SREC program (ACE/RECO/JCPL) did not provide a presentation on the program, since the program's third solicitation round was currently in progress. A participant asked if there is a breakdown of the number of participants for each EDC. Mr. Hunter said he would look into whether that information could be disclosed.

X. Other Topics / New Business

There being no other business, Ms. Lupton adjourned the meeting at 2:55 pm. The next RE Committee meeting is scheduled for March 15 at 1:00 pm in Trenton.