



Renewable Energy Committee Meeting Notes
November 13, 2014
Conservation Services Group Offices - 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. Lupse)

Ms. Lupse 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 read the disclaimer above.

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

Mr. Hunter said that both the Biopower and Energy Storage Solicitations were approved by the Board at its October 22 agenda meeting. The Board also approved Staff's recommendations on Subchapter (s) application deferrals. He said the November 21 agenda will include a recommendation to the Board for approval of the RFP for a new NJCEP program administrator.

Mr. Ambrosio quoted Betsy Ackerman at the morning Energy Efficiency Committee meeting as saying the goal is to release the RFP by the end of the year. There will be two separate RFPs – one for the program administrator and another for marketing that will be released at a later date. Rather than having bidders develop a strategic plan, it would be part of the proposal. He also said that a planning committee has been formed for a working group that will evaluate NJCEP programs and budgets.

Mr. Ambrosio noted that the FY2015 budgets approved in June were based on estimated expenses, and that budgets are true-up once actual expenses are known [*Presentation previously distributed as "FY15 true up budget final draft"*]. He pointed out that \$166 million was carried over from FY2014, although \$153 million of that amount is committed. He said there is a need to reduce the budget by another \$30 million to accommodate the \$58 million State appropriation. Mr. Ambrosio reviewed funding levels for EE, RE, EDA programs and Administration. He said the true up budgets are being sent out for public comment and will go to the Board with Staff's recommendation at the December agenda meeting.

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

Subsection (q): Mr. Hunter said Staff is monitoring the activity of EY14, EY15 and EY16 projects that were approved or conditionally approved by the Board. He added that Staff is not recommending at this time to hold another application round but continues to monitor the situation.

Subsection (t): Mr. Hunter said four applications for conditional approval were passed along to DEP and that DEP has sent back one memo. That project is expected to be on the December agenda.

Subsection (s): Mr. Hunter said the Board gave deferred applications 30 days from the November 10 effective date of its Order to submit additional information that will allow for their evaluation. He said Staff will take the information received and form recommendations to the Board in time for the February agenda meeting.

RPS rulemaking [*Presentation #1*]: Mr. Hunter said proposed Subchapter (r) rules must be drafted and presented by Staff to the Board in June 2015 so they can be in place for the start of EY2017 in June 2016. He said Staff has offered references for the four criteria areas outlined in Subchapter (r). Mr. Hunter said Staff is looking to receive public comments by December 4, with those comments to be posted on the NJCEP website and discussed at the January RE Committee meeting. He noted that Staff is using the same timeframe for both the Subsection (r) and (t) rulemakings.

IV. Energy Resilience Bank Update (T. Walker)

Mr. Walker said the ERB is open for applications in the water/wastewater segment and has received 20 initial applications thus far. He said ERB staff is now working on the next customer tier, which would include educational and long term care facilities. He said the ERB is considering breaking out a project solely for retrofits, so existing facilities can install smart inverters and storage on existing solar systems.

In answer to a question from Mr. Ambrosio, Mr. Walker said the average application is for \$8 million. With a budget for Tier I of \$65 million, Mr. Walker indicated that funds requested in the applications submitted to date are in excess of the budget.

In answer to question on the phone, Mr. Ambrosio confirmed that the ERB budget allocation for FY2015 is being reduced from \$30 million to \$1.25 million. He said the reason is that the ERB is under a deadline to spend HUD funds by 2019, so the state will wait before supplementing the HUD money.

V. Program Updates (C. Garrison, R. Reisman, J. Lypse and T. Gray)

Solar [*Presentation #2*]: Mr. Garrison presented data on installed capacity, noting that approximately 11.6 MW was installed in October, bringing total installed solar capacity to approximately 1,365.7 MW. He noted that an additional 377.1 MW of capacity is in the solar project pipeline. Mr. Garrison also provided data on grid supply projects by subsection; third party ownership; solar generation scenarios; calculations of SREC generation by energy year versus the RPS requirement; and SREC prices and trading statistics.

Mr. Hunter pointed out that New Jersey is in the best position among SREC-issuing states of having SREC prices most closely aligned with the market's needs.

Biopower: Mr. Reisman reported that the Board approved the FY2015 biopower solicitation at its October 22 agenda meeting and issued it the following day. He noted that a webinar on the solicitation was conducted the morning of November 13 and applications are due by December 22.

Renewable Electric Storage: Ms. Lypse said the Board also approved the FY2015 renewable electric storage solicitation at its October 22 agenda meeting and issued it the following day. She added that a webinar was conducted on November 5 and applications are due by December 8.

Operations Update [*Presentation #3*]: Ms. Gray reported that October had a record high of nearly 1,500 registrations, with another 335 submitted in first week of November. She said timelines for issuing acceptance letters is currently six weeks. Ms. Gray stated that more than 1,500 acceptance letters were issued in October due to extra time put in by the Market Manager Team. She also noted that there were 702 completions in October.

Ms. Gray also reviewed program changes that are designed to streamline processes and reduce paperwork. She said installer training sessions are being held during the second and third weeks of November with all sessions fully subscribed. Additional sessions will be scheduled as needed.

VI. Update on Interconnection Issues (J. Teague)

Mr. Teague said Staff developed a straw proposal based on the EDCs' proposal for mixed generation and NJ Class I with energy storage systems attached. He said the straw proposal was issued the previous week with comments due November 28.

VII. RPS Issues (R. Jackson)

Mr. Jackson said all the Class 1 and Class 2 reports that were due by October 1 have been received, and that the data in those reports is currently being evaluated and verified. He added that a sufficient quantity of SRECs is available to meet the 1.6 million SREC requirement for EY2014.

VIII. Utility Financing Programs (T. Donadio)

Mr. Donadio of JCP&L said the EDCs hope to have a contract soon with the solicitation manager. It is currently under legal review.

IX. Other topics / New Business

There being no new business, Ms. Lypse adjourned the meeting at 2:55 pm. The next meeting is scheduled for December 9 in Trenton.

Time: 12:30 - 4:00pm

Renewable Energy Committee Meeting

MEETING

Sign-In Sheet

CSG - Market Manager - Iselin Office

Thursday, November 13, 2014

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