

RPS SREC METERING ISSUE

OCE Staff Interim Procedure

March 28, 2013

Renewable Energy Certificates (RECs) and Solar Renewable Energy Certificates (SRECs) have a monetary value over the course of their useful life; they are bought, sold, and ultimately retired to comply with the RPS in New Jersey or another state. N.J.A.C. 14:8-2.9 describes the conditions that must be satisfied for energy generated by a solar facility connected to the distribution system in this State to qualify for the issuance of RECs and SRECs. During the time at issue, N.J.A.C. 14:8-2.9(b) required that energy produced by a solar electric generation facility greater than 10 kilowatts, must be reported through "periodic readings of a meter that records megawatt-hour production of electrical energy." The rule also provided that solar systems less than ten kW had the option of submitting engineering estimates in lieu of actual metered data; however, the Board has recently eliminated this option even for small systems.

At its May 1, 2012 Agenda meeting, the Board voted to approve a rule amendment which requires that all RECs and SRECs be based upon actual metered data. These rules became effective upon publication on June 4, 2012. 44 N.J.R. 1703(a). This recent elimination of the exemption for small solar systems evidences the Board's policy that the most accurate measurement possible must underlie all claims for RECs and SRECs. As stated on the New Jersey Clean Energy Program website at the page addressing the metering requirements for renewable systems, "A revenue grade meter is required to be installed and is the only acceptable method of determining SREC generation." (www.njcleanenergy.com.) Under recently revised N.J.A.C. 14:8-2.9 (c), as of December 4, 2012, a qualifying meter must also satisfy the American National Standards Institute Standard C12.1-2008 and additional PJM-EIS Generation Attribute Tracking System (GATS) requirements.

When assisting a GATS account holder in inputting their metered solar generation for a solar system larger than 10 kW, staff discovered that the GATS user interface provided prompts to account holders on what solar generation numbers were expected based on system parameters. Staff subsequently learned that GATS in other cases was accepting account holder calculations of metered data to develop the kWh generation data toward creating SRECs.

In response, Staff directed GATS to inform account holders that with the June 4, 2012 RPS rule amendments (N.J.A.C. 14:8-2.9 (c)), the Board would no longer accept the estimation of generation toward creating SRECs. Since the GATS user interface cannot

handle the input of more than one data point in the submission of generation data, account holders with interval meters serving as solar generation meters are unable to input sufficient data to account for kWhs produced without first performing a calculation involving the meter's multiplier and an associated index. In addition, GATS does not have the ability for one site with multiple meters to enter individual meter readings; nor can the GATS system automatically recognize when a five (5) digit meter "turns over" restarting at a zero index.

Staff initially brought the issue to the RE Committee at the February meeting and requested additional information from the EDCs since they have been frequent adopters of interval meters in the EDC Solar Finance Programs. Staff subsequently met with PSEG and two of its Solar Loan customers to discuss the problem and potential solutions. After this meeting PSE&G submitted a written proposal that was discussed at the March meeting. Two other EDCs were also contacted and told Board Staff that they currently use Excel spreadsheets to calculate meter index data based on the actual meter index. The spreadsheet is attached to this document.

Also at the March meeting, we discussed measures designed to enable SREC owners with interval meters or other meters that require a calculation involving a multiplier and index to arrive at a generation amount in kWh to comply with the RPS rule requirement at NJAC 14:8-2.9 (c). Specifically this rule provides that *"in measuring generation to determine the number of RECs or SRECs to issue, the Board or its designee shall only accept readings of a meter that records kWh production of electrical energy, and which meets all applicable requirements at (c) 1 and 2 below. The readings may be taken or submitted by any person, but shall be verified by the Board or its designee"*.

Staff asked for input in developing a process to ensure that sufficient data is kept available by each SREC account holder with interval production meters to enable the Board or its designee to verify that the kWh data submitted to GATS is consistent with the amount of solar electricity produced by the system for which SRECs were generated. Specifically, we were looking for suggestions on the type of information to kept, in what form, the frequency of collection, and the retention time. Some suggestions from the meeting included a log of all production related data with descriptive information on the meter including the multiplier kept for each meter reading entered, an annual photo of the meter faceplate or online aggregation screen, etc.

Since the matter is urgent for many SREC account holders, staff asked stakeholders to submit their comments to OCE@bpu.state.nj.us as soon as possible. While Friday March 15th was preferred, Friday March 22nd was the deadline. Based on Staff research and stakeholder comments, below is an interim GATS meter reading entry procedure until a permanent solution is developed.

GATS Meter Reading Interim Entry Procedure

The Board will allow MS Excel spreadsheet or similar programs to calculate solar generation data via revenue grade interval meters that require multipliers to arrive at the kWh generation values. The meter reading index and meter multiplier can then be entered into a spreadsheet to calculate the total kWh generated for that time period. This generation total will now be added to the prior period generation total and the resulting cumulative total will be then be entered into GATS as the meter reading.

The Board will also allow sites with multiple revenue grade meters to enter cumulative solar generation data entered into MS Excel spreadsheet or similar programs. The cumulative sum of the multiple meters can then be entered into GATS as the meter reading for that time period.

Finally, the interim procedure addresses the issue of a revenue grade meter index “turning over” and restarting at a zero index. Again, an MS Excel spreadsheet or similar program can be used that can retain a gross total of the meter readings for the life of the system. This data then can be entered into GATS as the meter reading.

A separate record-keeping requirement is set out in N.J.A.C. 14:8-2(g). *“The Board shall require submittal of information and certifications needed to enable the Board or its designee to verify the generation that forms the basis of the requested RECs. The Board shall require inspections, as appropriate, of generation equipment, monitoring and metering equipment, and other facilities relevant to verifying electric generation. The Board shall impose application fees, inspection fees and/or other charges for any work required to verify electric generation and issue RECs or SRECs.”*

Therefore in all cases the generator must maintain records of the meter indexes, spreadsheets and other documentation. This documentation must be available to the Board or its designee for auditing and verification purposes. The type of information required to be maintained is as follows:

- Meter identification numbers (manufacturer initial and serial number);
- Meter installation date(s);
- Meter reading date;
- Recorded meter index;
- Meter multiplier or constant;
- Resultant meter index used for GATS entry;
- Any calculations required for multi-meter sites;
- Any calculations for meter indexes that restart at zero;
- Interval generation data used to calculate a monthly meter index.

This information shall be maintained for each individual meter at a project site on an Excel spreadsheet or similar program. This data should be maintained for the duration of the solar project's creation of SRECs. The meter reading and data entry spreadsheet should be completed by the solar generator on a monthly basis. Although there is no requirement to enter meter reading data into GATS monthly, it is suggested that this information be entered in GATS at least once during the energy year.

In cases where there are questions concerning the meter reading entry data, the Board or its designee may require a photo of the meter index and other additional documentation.