





Closing of the Solar Transition Incentive (TI) Program and the Launch of the Successor Solar Incentive (SuSI) Program

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Webinar Instruction Page

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- This meeting is being recorded. A copy or the recording and slides will be made available on the NJ Clean Energy Program website: https://njcleanenergy.com/renewableenergy/program-updates-and-background-information/solarproceedings



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Background: Clean Energy Act of 2018

Legacy SREC Registration Program (SRP)

The Clean Energy Act of 2018, P.L. 2018, c. 17 ("Act"), directed the New Jersey Board of Public Utilities (NJBPU) to adopt regulations to close the SRP to new registrations once 5.1% of the kilowatt-hours sold in the State were generated by solar electric power connected to the distribution system (known as the 5.1% Milestone). N.J.S.A. 48:3-87(d)(3).

On April 6, 2020, the Board determined that the 5.1% Milestone would be attained before May 1, 2020, and therefore, directed TRC to close the SRP to new registrations on April 30, 2020.

Solar Transition Incentive Program (TI)

By Order dated December 6, 2019, NJBPU established the TI Program to provide a bridge between the Legacy SRP and the soon-to-be-established Successor Program. The TI Program portal was open to new applications on May 1, 2020.

Successor Solar Incentive Program (SuSI)

The Act as modified by a series of amendments signed by Governor Murphy on July 9, 2021, directs the NJBPU to establish a comprehensive program to provide incentives for the development of at least 3,750 megawatts of new solar power generation by 2026. The SuSI Program will serve as the new permanent solar program for providing solar incentives to qualified solar electric generation facilities.



Closing TI and Opening SuSI

Per two <u>Board Orders</u> dated July 28, 2021, NJBPU established a process for closing the TI Program to certain applications and opening the new SuSI Program to new registrations to submit in the Administratively Determined Incentive (ADI) Program.

The following summarizes the procedures for closing the TI Program and Opening the SuSI Program

- TI portal will close to new applications on August 27, 2021 at 11:59:59 p.m. EST, except for Community Solar and Subsection (t) as noted below;
 - The TI portal will remain open beyond August 27, 2021 for new applications from Year 2 Community Solar projects that are currently pending final selection with NJBPU.
 - The TI portal will remain open beyond August 27, 2021 for new applications by Subsection (t)
 developers that are submit an application to the NJBPU Secretary on or before August 27, 2021 at
 11:59:59 p.m. EST. and that are subsequently conditionally certified by the NJBPU.
 - The Administratively Determined Incentive (ADI) Program registration portal will open and be available to accept registrations on August 28, 2021 at 12:01 a.m. EST.



Applications Eligible to Remain in TI

- Projects that have been issued a TI acceptance letter that have not yet reached their expiration date.
- TI Applications that are under the status of <u>Application Received</u> in the TI online portal on or before August 27, 2021 at 11:59:59 p.m. EST will remain in TI based on the following criteria:
 - TI Application packets that are deemed complete with all TI requirements will be issued an
 acceptance letter and will have the opportunity to participate in the TI Program.
 - TI Application packets deemed incomplete due to a minor deficiency will have seven (7) business days to address the deficiencies and complete the registration packet in the TI portal. If the application deficiencies are not resolved and the application deemed complete within seven (7) business days, the application will be rejected. These projects will have the opportunity to submit a new registration in ADI Program.



Applications No Longer Eligible for TI

- Any TI applications submitted in the TI portal after 11:59:59 p.m. EST on August 27, 2021 will not be eligible for TI.
- Projects under the status <u>Cancelled</u>, <u>Expired</u>, <u>Application Incomplete-Major</u> (rejected), <u>Application Incomplete-Final</u> (rejected) and <u>Void</u> are not eligible to receive an incentive in the TI Program.
- TI Application packets that are deemed incomplete due to major deficiencies will be rejected and the application will no longer be eligible to participate in TI. The project will have the opportunity to submit a new registration in the Administratively Determined Incentive (ADI) Program.
- Projects under the status <u>Possible Duplicate</u> are those for which a duplicate application has already been entered in the
 system. This could represent, among other things, an add-on to an existing system or a duplicate entry where multiple
 installers submitted an application on behalf of the same customer. Since the first version of each application was submitted
 before the close of TI, the second submission will be cancelled when TI closes.
- Projects under the status <u>Pending Uploads</u> are those for which one or more of the documents required to complete the application have not yet been submitted. Projects under this status at the time TI closes will be voided.
- Projects under the status of <u>Eligible for TI Program</u> in the TI portal at the time TI closes will be terminated and will no longer be eligible to participate in TI. The applicant, or other parties, if applicable, may have the opportunity to register the project in ADI Program.



Successor Solar Incentive (SuSI) Program

SuSI Program is comprised of two sub programs:

- 1) <u>Administratively Determined Incentive (ADI) Program</u> which provides administratively set incentive values for net metered residential projects, net metered non-residential projects of 5 MW or less, community solar projects, and, for an interim period, projects previously eligible to seek conditional certification from the Board under Subsection (t).
- 2) <u>Competitive Solar Incentive (CSI) Program</u> will provide competitively set incentive values for grid supply projects and net metered non-residential projects greater than 5 MW. Board staff is currently working with stakeholders to develop the design of the CSI Program with the goal of holding the first solicitation by early-to-mid 2022. For updates, please continue to check the <u>Solar Proceeding</u> page on the *New Jersey's Clean Energy Program* (NJCEP) website.

The <u>Successor Solar Incentive Program Pre-Publication Rule Proposal-DRAFT</u> can be found on the <u>Solar Proceedings</u> page of the NJCEP website.



Competitive Solar Incentive (CSI) Program

- For larger "grid supply" solar facilities and net metered solar facilities greater than 5 MWdc in size.
- The value of the incentives in the CSI Program will be determined through a competitive process.
- The specific details of this competitive process will undergo additional stakeholder discussion, which is expected to continue through 2021, with the first solicitation to be held in early-to-mid 2022.



ADI Program Key Eligibility Requirements

- Net-metered residential, non-residential solar facilities 5 MWdc or less and community solar projects
- Projects located on property types that were previously eligible to seek conditional certification from the Board under Subsection (t), now be referred to as "interim Subsection (t) projects."
- Solar facilities that have not yet reached commercial operation (defined as permission to operate)
 prior to the opening of the ADI Program
- Solar facilities that reached commercial operation before August 28, 2021 must be granted special dispensation by NJBPU to participate in the ADI Program
- All solar equipment must be new
- Solar facilities connected to a distribution or transmission system owned or operated by a New Jersey public utility or local government unit
- Solar facilities receiving incentives that are 1 MWdc or greater in size subject to the Prevailing Wage Act N.J.S.A. 34:11-56.25, et seq.



Co-Location

The rules proposed by the Board in Docket No. QX21040728, at N.J.A.C. 14:8-11, define "co-location" as:... siting two or more SuSI-Eligible solar facilities on the same property or on contiguous properties such that the individual facilities are eligible for a higher incentive value than they would be if they were combined into one single facility. In the case of net metered projects, SuSI-Eligible solar facilities shall be not be deemed co-located if they serve separate net metering customers as defined at N.J.A.C. 14:8-4.

- An entity may file a petition with the Board for special dispensation to engage in co-location of facilities.
- Co-located projects are allowed if the project's registrant voluntarily agrees to accept the lowest incentive that would
 apply if the projects combined into a single project located on the site.
- Developers or owners cannot site multiple projects on the same property or contiguous properties in order to access a higher incentive level assigned to a smaller project (example: two 1 MW projects would receive a higher incentive than one project just under 2 MW.)
- Co-location is prohibited if the combined capacity of systems on a single site or contiguous site exceeds 1 MWdc.
- If the review of the Post Construction Certification (Final As Built) packet or project inspection reveal that the registrant failed to disclose co-located solar facilities, the Board may take enforcement action, including but not limited to, adjusting the incentive amount.



Increases and Decreases to System Size

- If, after submittal of an initial registration package, an increase of up to 10 percent or 25 kWdc, whichever is smaller, in the solar electric generating facility's generating capacity is planned, the registrant shall notify Board Staff following the instructions provided on the NJCEP webpage devoted to the ADI program (njcleanenergy.com)
- Facilities shall not be permitted to increase their generating capacity by more than 10 percent or 25 kWdc, whichever is smaller.
- An ADI solar facility cannot increase the system's capacity by any amount that would expand the project beyond 5 MWdc.
- Systems can decrease in size from the initial registration submitted.



ADI Capacity Blocks for Energy Year 2022

| Market Segments | System Size | MWdc Capacity Blocks |
|---|---------------------------------|-------------------------|
| 1. Net-Metered Residential (All Sizes) | All Sizes | 150 MWdc |
| 2. Net-Metered Non-Residential (All Installation Types) | All sizes at or below 5 MWdc | 150 MWdc |
| 3. Community Solar LMI and Non-LMI | All sizes at or below 5 MWdc | 150 MWdc |
| 4. Interim Subsection (t) | All Sizes | 75 MWdc (Interim Basis) |



ADI Capacity Blocks for Energy Year 2022

- ADI will remain open to new registrations for each market segment on a first come, first serve basis until the MW block for that market segment is fully subscribed, or until June 1, 2022, whichever comes first.
- A capacity block would be defined as being fully subscribed when the last registration received in the ADI portal causes the total capacity of all registrations in a particular market segment to exceed the capacity block.
- Once the capacity block has been filled, the registration portal will be closed to new registrations for that market segment.
- There will <u>not</u> be an option for a waiting list for projects seeking to enter a capacity block for a market segment that has been fully subscribed.
- Capacity will be tracked and available publicly.



Incentives Per Market Segment

| Market Segments | Size MW dc | Incentive Value (\$/SREC II) | Public Entities (\$20 Adder) Incentive Value \$/SREC II |
|--|----------------------------|------------------------------|--|
| 1. Net Metered Residential | All types and sizes | \$90 | N/A |
| 2.Small Net Metered Non-Residential located on Rooftop, Carport, Canopy and Floating Solar | Projects smaller than 1 MW | \$100 | \$120 |
| 3. Large Net Metered Non- Residential located on Rooftop, Carport, Canopy and Floating Solar | Projects 1 MW to 5 MW | \$90 | \$110 |
| 4.Small Net Metered Non-Residential Ground Mount | Projects smaller than 1 MW | \$85 | \$105 |
| 5. Large Net Metered Non- Residential Ground Mount | Projects 1 MW to 5 MW | \$80 | \$100 |
| 6. LMI Community Solar | Up to 5 MW | \$90 | N/A |
| 7. Non-LMI Community Solar | Up to 5 MW | \$70 | N/A |
| 8. Interim Subsection (t) | All types and sizes | \$100 | N/A |



ADI Commitment Length and Extension

Registration Length (from the date noted in conditional registration/acceptance letter)



Extension Policy

- Solar facilities that are accepted into the ADI Program may request one six-month extension to their registration expiration date.
- Extension requests must be submitted in the ADI registration portal on or before the expiration date noted in the notice of conditional registration (acceptance letter).
- Any extension request shall be reviewed on a case-by-case basis, based on consideration of extenuating circumstances for the delay
 in completing the facility, evidence that the facility has made progress towards completion, and the likelihood of timely and successful
 completion of the solar facility.
- For facilities 1 MW or greater, consideration for granting extensions will be given to registrants that have submitted timely quarterly milestone reporting forms.
- A petition must be submitted to the Board to request a second extension.



ADI Initial Registration Checklist

A <u>Complete</u> ADI Registration Packet must include the following:

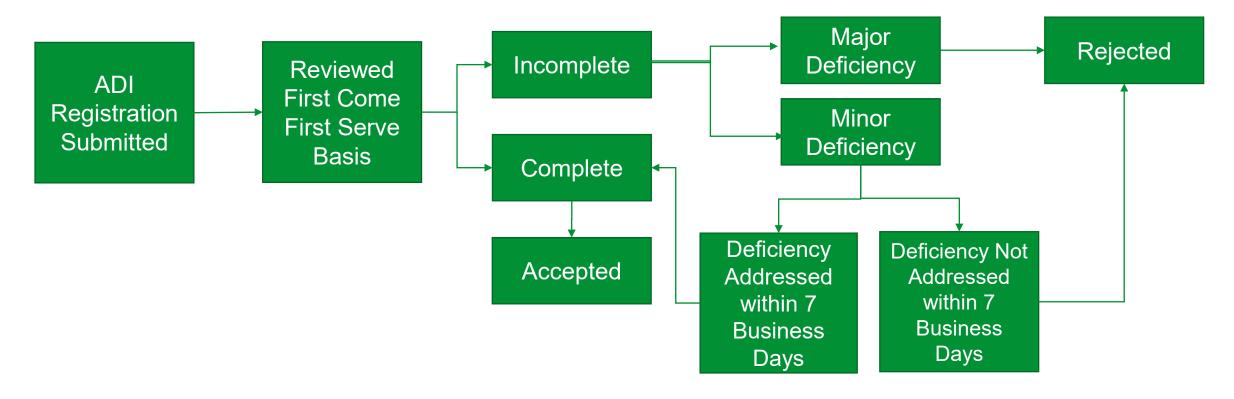
You can continue to use your login information from SRP and TI for access in the ADI Program registration portal

| Continuing to Require | New Requirements |
|---|---|
| ADI Registration Certification Form | Contract between primary solar installer and customer |
| Utility Bill showing site host's name, address and electric tariff (Net Metered Facilities) | Executed Interconnection Agreement (1 MW or larger) |
| Site Map | Signed Co-Location Self Certification Form |
| Disclosure Form posted on the NJCEP website (signed by the customer, the solar installer, and the third party SREC II owner, if applicable) | Electrical and Building Permits or documents demonstrating the applications have been submitted to the relevant municipality (25 kW or larger) |
| Milestone Reporting Form (1 MW and larger) | Evidence of having submitted to EDC a Part 1 Interconnection Agreement signed by customer and solar installer (25 kW up to 1 MW) |
| | Solar facilities serving public entities seeking ADI public adder: A letter on official stationery of the public entity under signature of a bona fide officer, elected official, or employee attesting to public entity. |



For documents that require signatures, if using <u>electronic signatures</u>, please upload the **Certificate of Completion** or the **Signature Verification Sheet** with your ADI Registration Packet

ADI Registration Process



NOTE: Each complete registration package must be accompanied by a registration fee payment, the value of which will be determined by a Board Order. The <u>registration fee shall take effect one year from the opening of the SuSI Program</u>; projects registering during the first year of the SuSI Program will be exempted from the registration fee.



ADI Registration Process

- If the ADI registration is rejected, the registrant may submit a new complete registration to an open capacity block or in a future capacity block. The new registration will have no reference to the previously rejected registration.
- Net metered ADI registrations that exceed 5 MWdc will be flagged in the portal and barred from submitting a registration.
- If adding capacity to a previously installed system that participated in SRP,
 TI, or any previous NJ solar program, a new designated revenue grade meter is required to be installed for the added capacity.



ADI Post Construction Certification (Final As Built) Checklist

A <u>Complete</u> Post Construction Certification

Packet must include the following:

Changes in equipment from the initial ADI registration packet must be updated in the ADI online portal under the Equipment Tab to reflect the equipment entered on the Final As Built Technical Worksheet.

Once a complete Post Construction Packet is submitted, the project will either be waived an inspection or selected for an onsite inspection performed by the program inspector.



Post Construction Certification Checklist

Final As Built Technical Worksheet

Digital Legible Photos of Equipment: solar array(s), inverter(s) and Revenue Grade Meter ANSI c12-1-2008 or ANSI c. 12.20 Accuracy Standard (Solar Production Meter)

Site Map (required if changes to equipment from initial registration)

Permission to Operate

Instantaneous Production: verifying that the system is fully functioning as per system design

If electric storage battery installed, a single line diagram showing the location of the solar equipment and batter together with a copy of the battery equipment specification sheet

Where applicable, documentation of compliance with all applicable federal, state and local laws, including eligibility for any tax incentives or other government benefits

Interim Subsection (t) only: Post Construction NJDEP Compliance Form

Any solar facility that does not commence commercial operation on or before the expiration date noted in the ADI acceptance letter, or that commences operation but does not submit a Post Construction Certification packet by the expiration date, will no longer be eligible for the ADI Program and the registration will be cancelled.

NJ Certification Number will be issued once a complete Post Construction Certification packet is submitted and the project has been waived an inspection or has passed the program inspection.

Questions

- Enter your question using the Zoom chat or Q&A function.
- Check out the Frequently Asked Questions webpage: https://njcleanenergy.com/renewable-energy/program-updates-and-background-information/solar-transition-frequently-asked-questions
- Check out the Solar Proceedings webpage: https://njcleanenergy.com/renewable-energy/program-updates-and-background-information/solar-proceedings
- Email us at <u>NJREINFO@NJCleanEnergy.com</u>



More Information

ADI Registration Processing Team 1-866-NJSMART NJREINFOR@NJCleanEnergy.com

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