



NEW JERSEY BOARD OF PUBLIC UTILITIES

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REQUEST FOR PUBLIC COMMENT

The New Jersey Board of Public Utilities ("Board") has adopted amendments to its rules governing the Renewable Portfolio Standards ("RPS"), to advance the "solar transition" outlined in the Board's December 6, 2007 Order. Some of the comments that the Board received on the proposal of those amendments concerned the elimination of the requirement that Solar Renewable Energy Certificates ("SRECs") be based only on electricity generated by a solar generation facility located on a customer-generator's premises, accompanied by the retention of the requirement for the generation facility to be connected to an electric distribution system serving New Jersey customers.

The retention of the requirement for connection to the local distribution system reflected the Board's concern about the importance of clean local electric generation in mitigating congestion on the electric transmission system. Some commenters suggested that solar electric generation facilities connected to the electric transmission system in New Jersey could also mitigate congestion on the transmission system in a manner that would help to preserve or improve the reliability of the supply of electricity in New Jersey. Those commenters were also concerned that the limitation in the rules would discourage investment in new large-scale solar generation facilities in New Jersey, because of the difficulty in connecting such generators to the distribution system rather than the transmission system.

In light of these concerns, the Board hereby solicits public comment on the appropriateness of allowing solar electric generation facilities connected to the New Jersey transmission system to earn/own SRECs. Specifically, the BPU request comments on the following issues:

1. Whether, to what extent, and why the interconnection requirement to NJ distribution lines under the Renewable Portfolio Standard ("RPS") rules for solar could hinder the development of larger solar projects in NJ.
2. Possible ways to eliminate such a hindrance (if any) while still ensuring that NJ gets the local benefits referenced in the Rulemaking.

The comment period will close on **April 24, 2009**. All comments should be submitted electronically, in Microsoft Word format, or in a format that can be easily converted to Word format to: OCE@bpu.state.nj.us. After reviewing public comments, the Board will decide on whether to propose an amendment that would further broaden eligibility of solar electric generation systems to earn SRECs.

A handwritten signature in black ink, appearing to read "Kristi Izzo".

Kristi Izzo
Secretary of the Board

Dated: 3/9/09