



**STATE OF NEW JERSEY**  
**Board of Public Utilities**  
44 South Clinton Avenue, 9<sup>th</sup> Floor  
Post Office Box 350  
Trenton, New Jersey 08625-0350  
[www.nj.gov/bpu/](http://www.nj.gov/bpu/)

CLEAN ENERGY

IN THE MATTER OF THE IMPLEMENTATION OF )	DOCKET NOS. EO12090832V
L. 2012, C.24, THE SOLAR ACT OF 2012; AND )	
)	
IN THE MATTER OF THE IMPLEMENTATION OF )	
L. 2012, C. 24, <u>N.J.S.A.</u> 48:3-87(Q) (R) AND (S) – )	
PROCEEDINGS TO ESTABLISH THE PROCESSES )	
FOR DESIGNATING CERTAIN GRID-SUPPLY )	
PROJECTS AS CONNECTED TO THE DISTRIBUTION )	EO12090880V
SYSTEM – SUBSECTION (Q) ROUND TWO )	
APPLICATION APPROVALS )	
)	
G&S Wantage Solar, LLC )	QO13101030
Community Energy, Inc. - Hanover Solar LLC )	QO13101031
Solartricity LLC - Flemington )	QO13101025
Unity Electric, LLC )	QO13101026
Community Energy, Inc. - Millstone Solar, LLC )	QO13101027
ITA, Inc. )	QO13101028
Solartricity II LLC - Washington )	QO13101021
CEP Solar Gen10, LLC - Greenwich )	QO13101022
Hanwha Q Cells USA Corp - PVOne )	QO13101024
Midflare Corp - 1101 Quinton Alloway Road )	QO13101018
Zongyi Solar America Ltd. - Hunterdon )	QO13101019
North American Solar Corp. )	QO13101016
North Park Solar, LLC )	QO13101015
Augusta Solar Farms, LLC )	QO13101014
Lumberton Solar )	QO13101023
Zongyi Solar America Co Ltd. – Florence )	QO13101004
Orion Solar Northeast, LLC - Bridgeton )	QO13101003
)	

**Parties of Record:**

- Stefanie A. Brand, Esq., Director**, New Jersey Division of Rate Counsel
- Justin Sallusto**, CEP Solar Gen10, LLC
- David Khasidy**, G&S Wantage Solar LLC
- Brent Beerley**, Community Energy Solar, Hanover Solar LLC, Millstone Solar LLC

**Hesser McBride, Esq.**, Solartricity, Solartricity II  
**George Samouhos**, Unity Electric, LLC  
**Tovi Avnery**, ITA, Inc.  
**Keissler Wong**, Rock Solid Reality, North American Solar Corp  
**Mark Randall**, Midflare Corporation  
**Eddie Zeng**, Zongyi Solar America Co. Ltd.  
**Greffrey Underwood**, Hanwha Q Cells USA Corp./ PVOne  
**Deidre Lewis**, Augusta Solar Farms, LLC  
**Nicholas Hiza**, Orion Renewable Energy Group/ Orion Solar Northeast, LLC  
**Jim Spano**, North Park Solar Energy  
**Joy Chao**, Lumberton Solar

BY THE BOARD:

On July 23, 2012, L. 2012, c. 24 ("Solar Act") was signed into law by Governor Chris Christie. The Solar Act amends certain aspects of the statute governing generation, interconnection, and financing of renewable energy. Among other actions, the Solar Act requires the New Jersey Board of Public Utilities ("Board or BPU") to conduct proceedings to establish new standards and to develop new programs to implement its directives. On October 4, 2012, under Docket No. EO12090832V, the Board directed Board staff ("Staff") to initiate proceedings and convene a public stakeholder process to fulfill the directives of the Solar Act including those under N.J.S.A. 48:3-87(q) ("Subsection q").

Subsection q of the Solar Act provides that:

During the energy years of 2014, 2015, and 2016, a solar electric power generation facility project that is not: (a) net metered; (b) an on-site generation facility; (c) qualified for net metering aggregation; or (d) certified as being located on a brownfield, on an area of historic fill or on a properly closed sanitary landfill facility, as provided pursuant to subsection t. of this section may file an application with the board for approval of a designation pursuant to this subsection that the facility is connected to the distribution system. An application filed pursuant to this subsection shall include a notice escrow of \$40,000 per megawatt of the proposed capacity of the facility. The Board shall approve the designation if: the facility has filed a notice in writing with the board applying for designation pursuant to this subsection, together with the notice escrow; and the capacity of the facility, when added to the capacity of other facilities that have been previously approved for designation prior to the facility's filing under this subsection, does not exceed 80 megawatts in the aggregate for each year. The capacity of any one solar electric power supply project approved pursuant to this subsection shall not exceed 10 megawatts. No more than 90 days after its receipt of a completed application for designation pursuant to this subsection, the board shall approve, conditionally approve, or disapprove the application. The notice escrow shall be reimbursed to the facility in full upon either rejection by the board or the facility entering commercial operation, or shall be forfeited to the State if the facility is designated pursuant to this subsection but does not enter commercial operation pursuant to paragraph (2) of this subsection.

(2) If the proposed solar electric power generation facility does not commence commercial operations within two years following the date of the designation by the board pursuant to this subsection, the designation of the

facility shall be deemed to be null and void, and the facility shall not be considered connected to the distribution system thereafter.

[N.J.S.A. 48:3-87(q)]

On November 9, 2012, the Board held a public hearing presided over by Commissioner Joseph Fiordaliso. In addition, the public was invited to submit written comments through November 23, 2012. Over one hundred stakeholders representing the electric distribution companies ("EDCs"), solar market participants, landfill developers, environmentalists, municipalities, and ratepayers participated in the public hearing and submitted comments. Based in part upon the comments received from the public, Staff developed an application and a form of escrow agreement to implement the requirements of Subsection q.

By Order dated May 9, 2013, the Board approved an application process, form of application and form of escrow agreement to be used in connection with the Board's review of projects seeking designation as "connected to the distribution system" under Subsection q ("May 9 Order"). As stated above, Subsection q charges the Board with denying, approving or conditionally approving qualifying applications from certain proposed grid supply solar facilities for designation as "connected to the distribution system" during energy years 2014, 2015 and 2016<sup>1</sup> within 90 days of receipt of a completed application.

Subsection q also provides that "[a]n application filed pursuant to this subsection shall include a notice escrow of \$40,000 per megawatt of the proposed capacity of the facility," which "shall be reimbursed to the facility in full upon either rejection by the board or the facility entering commercial operation, or shall be forfeited to the State if the facility is designated pursuant to this subsection but does not enter commercial operation pursuant to paragraph (2) of this subsection." N.J.S.A. 48:3-87(q). To implement this provision, the Escrow Agreement adopted by the Board by order dated June 21, 2013<sup>2</sup> contains the following language:

The Depositor and the Escrow Agent agree that withdrawals from the fund shall not be made without the written approval or directive of the BPU. Written approval will be given only upon submission and approval of a written request identifying the specific provision(s) of N.J.S.A. 48:3-87(q) supporting the withdrawal. Written directive may be issued to the Escrow Agent by BPU upon a written request or in the absence of a written request upon a determination by BPU, in its discretion, that a) the Depositor is entitled to return of the funds because designation of the Solar Facility as connected to the distribution system is denied, b) the Depositor is entitled to return of the funds because the Solar Facility has achieved commercial operation within two (2) years of the date of designation or c) the State is entitled to the funds because the Solar Facility has failed to achieve commercial operation within two (2) years from the date of designation as connected to the distribution system. Upon the issuance and delivery to the Escrow Agent of such written approval or directive by BPU, the Escrow Agent shall immediately disburse the funds called for by said approval or directive, for use solely for the purposes and in the manner specified in said written approval or directive.

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<sup>1</sup> As defined in N.J.S.A. 48:3-51, an energy year ("EY") is the 12-month period from June 1 through May 31, numbered according to the calendar year in which it ends.

<sup>2</sup> In re the Implementation of the Solar Act, Subsection (Q) Application and Escrow Agreement, Docket Nos. EO12090832V and EO12090880V.

Escrow Agreement at para. 10

As approved by the Board in the May 9 Order, to obtain final approval of a Subsection q application for EY 2014 or conditional approval of a Subsection q application for EY 2015 or 2016, the developer of a proposed facility must file a Subsection q application with the Board, with a copy provided to Rate Counsel, the proposed system must be 10 MW or less, be the only facility proposed for interconnection at a distinct interconnection point, the appropriate escrow amount must be noticed as properly deposited, and all appropriate Solar Renewable Energy Certificate SREC registration requirements must be fulfilled. To obtain final approval of a Subsection q application for EY 2015 or EY 2016, the developer of a proposed facility must have submitted a Subsection q application, and received conditional approval from the Board; be the only facility interconnected at a distinct interconnection point, the facility must have completed construction and received authorization to energize; the completed system must be 10 MW or less; and all applicable SREC registration and escrow requirements must have been maintained throughout the conditional approval period.

The May 9 Order was posted on the Board and New Jersey Clean Energy Program ("NJCEP") websites, and circulated via the renewable energy ("RE") stakeholder email distribution lists on or about that date. The application attached to the May 9 Order provided detailed instructions for applicants seeking to be considered eligible pursuant to Subsection q. On May 13, 2013, Staff distributed a copy of "Frequently Asked Questions regarding Subsection q" via the RE stakeholder email distribution list, and posted it to the NJCEP website. Applicants were advised in these materials that to qualify pursuant to Subsection q, applicants must file Notice according to the instructions<sup>3</sup> to be considered for approval for a specific Energy Year:

Applications will be accepted by Staff...toward making recommendations for approval on a first-in-time basis for each energy year until complete applications for 80 MW dc of total capacity have been received. Time of receipt for purposes of ranking applications will be determined based upon initial receipt of this one-page Notice of Intent to Apply (Notice), provided that the applicant submits the full application as described....

At its June 21, 2013 agenda meeting the Board found that release of the escrowed funds prior to designation of the proposed solar facility is consistent with the legislative intent as expressed in Subsection q. Therefore, the Board ruled that when an applicant/Depositor seeks to withdraw funds because it has withdrawn its application prior to the date of final designation by the Board, confirmation in writing of termination of the application by BPU staff is sufficient authorization for withdrawal of the funds from the escrow account. Accordingly, the Board approved modification of paragraph (10) of the Escrow Agreement to reflect this ruling.

All applicants, including those seeking approval for EY 2015 and EY 2016, must demonstrate that the required amounts are currently held in escrow. Applicants seeking approval for designation in EY 2015 must acknowledge that the two year escrow forfeiture time period will not begin until June 1, 2014, and those seeking approval for designation in EY 2016 must acknowledge that the two year period begins June 1, 2015.

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<sup>3</sup> Updated Round 2 - Subsection (q) Application Materials, pg. 1, (revised October 10, 2013).

On August 21, 2013, the Board approved twenty one (21) applications for designation as "connected to the distribution system" pursuant to Subsection q either on a final or conditional basis from the first application round held from May 15 to 31, 2013 ("Round One"). The Board approved eleven (11) projects seeking designation in Energy Year 2014 for 68.092 MWdc of capacity, conditionally approved seven (7) projects seeking designation in Energy Year 2015 for 31.242 MWdc of capacity, and conditionally approved three (3) projects seeking designation in Energy Year 2016 for 20.650 MWdc of capacity. The Board required the approved applicants to submit or resubmit SREC Registration packages within two weeks of the effective date of the Order.

In the May 9 Order announcing the initial application period for Subsection q, the Board also stated that "additional application periods may be opened, if necessary." The Board announced in the August 21 Order that "an additional application process under Subsection q will be opened beginning on October 15, 2013," and directed Staff to notify stakeholders of the process to be used ("Round Two").

Following a process similar to that used in connection with Round One, on October 1, 2013, Staff distributed, via the RE stakeholder email distribution list and posted to the NJCEP and BPU websites, the instructions for participating in Round Two. The instructions included a one-page "Notice" to be completed by applicants and sent as an attachment to the dedicated "QNotice" email address no earlier than 4:00 p.m. on October 15, 2013, and no later than 4:00 p.m. on October 31, 2013. Applicants were advised that they had either five days following the submission of a Notice or until October 31, 2013, whichever was earlier, to submit a completed application. Applicants were further instructed that an escrow agreement executed on or prior to October 15, 2013 using the form of agreement available on the BPU and NJCEP websites evidencing a funded escrow account must be included with the application. Additionally, applicants were instructed that only one application would be accepted per project with a separate Notice submitted for each project.

Staff discussed the Subsection q application process and forms with RE stakeholders at the regularly scheduled stakeholder meeting on October 9, 2013. On October 15, 2013, shortly before 4:00 p.m. per the internal clock of the Board's email servers, the "[Qnotice@bpu.state.nj.us](mailto:Qnotice@bpu.state.nj.us)" email address was activated by the Board's Information Technology staff.

Twenty eight (28) Notices were received from 15:59:52 (as indicated by the internal clock of the Board's email server and 15:59:51 pm on the world clock displayed by the US Naval Observatory) through 19:01:37(5:01 p.m.) on Wednesday October 15, 2013. Twenty seven of the twenty eight projects that filed the Notice also executed proper escrow agreements. One (1) applicant's Notice was received by the Board's server prior to the Board approved opening of the Subsection q. application window at 4:00 p.m. on October 15, 2013. And one (1) applicant by letter dated January 13, 2014, withdrew one of its Subsection q. applications and sought approval for release of the funds held in escrow attributable to this withdrawn project. Applicants that failed to fulfill all Board approved application requirements such as filing the Notice, supplying an application within five days of filing the Notice, or executing an escrow agreement and funding an escrow by October 15, 2013, or withdrew applications are addressed in a separate Order on this agenda.

**STAFF RECOMMENDATION**

Staff has thoroughly reviewed the applications submitted in response to the second Subsection q application process described above. Staff has determined, based on the application materials submitted, that each of the applications described below fulfilled all the requirements established by the Board and Subsection q. Staff recommends that the Board approve or conditionally approve in total seventeen (17) applications that completely fulfilled the application requirements established by the Board pursuant to Subsection q. The applications are listed below according to the Energy Year for which they sought designation as “connected to the distribution system.”

***Energy Year 2014***

Staff recommends that two (2) applications, for a combined total of 5.36 MWdc of capacity, be approved and designated for Energy Year 2014. These recommended approvals are in addition to the eleven applications previously approved in Round One, for a combined total capacity of 73.452 MWdc of Subsection q projects for EY 2014. Staff recommends that the Board establish the effective date of the Board Order announcing this approval as the beginning of the two year period for construction completion. Staff further recommends that the Board direct the project applicants to submit or, if they have already filed in the SREC Registration Program (“SRP”) then resubmit, SREC registrations for their projects, and that the Board waive the requirement that an SREC registration occur within 10 days of the execution of a contract to construct or procure panels for these projects. Staff recommends that the Board disregard any previous registration. In addition, Staff recommends that the Board extend the life of the SREC registration from one year to two years for the projects designated in EY 2014 to make the term of the SRP registration coincide with the two year time period for project completion established in Subsection q.

Table 1. Subsection q Round Two Recommended Approvals for EY 2014

Rank by Time Notice Received	Time Notice Received OCE	Date Application Received OCE	Notice / Application Submitted by	Applicant / Facility Name	Docket Number	Project/ Designation Address	Project Location Town	Project County	Energy Year Requested	Array Size* (MWdc)	Cumulative MW w/ EY14 1st Round Approvals Totalling 68,092
1	16:00:24	10/17/2013	Jim Spano	Spano partners Holdings LLC/ North Park Solar, LLC.	Q013101015	Block 74, Lot 13.01	31 Highway 33 East Manalapan, NJ 07726	Monmouth	EY14	1,700	69,792
2	16:00:32	10/17/2013	Dendra Lewis	Augusta Solar Farm, LLC	Q013101014	Block 3105, Lot 20.02	99 Hampton House Rd Newton, NJ 07860	Sussex	EY14	3,660	73,452

Staff recommends that the Board require that project developers provide in the resubmitted and updated SRP package a construction schedule containing anticipated project completion milestone dates in a standard format developed by Staff, as well as periodically update and promptly inform the SRP processing team of any changes to those milestones. Finally, Staff recommends that the Board reiterate to applicants that the escrow must be maintained for the full two years unless the project is completed prior to that time. Should construction not be completed within two years of the effective date of the Board Order, the escrowed funds shall revert to the State and the project shall forfeit its approval to generate SRECs. Should the project complete within two years of the effective date of the Board Order, the escrowed funds shall be released by the Escrow agent pursuant to the terms of the Escrow Agreement, and the

project shall be eligible to create SRECs beginning with the date the solar generation facility is authorized to energize.

### ***Energy Year 2015***

Staff recommends that the Board conditionally approve six (6) applications in Round Two, for a total of 53.76 MWdc of capacity designated as connected to the distribution system under Subsection q for Energy Year 2015, in addition to the five (5) approved in Round One, for a combined total capacity of 80MWdc. However, since the Notices for CEP Solar Gen10 - Greenwich and Lumberton Solar were received by the Board's email server simultaneously, each applied for a 10MW dc solar electric generation facility, and sufficient capacity does not remain to accommodate conditional approval of the full capacity sought, Staff further recommends that the Board conditionally approve both CEP Solar Gen10 - Greenwich and Lumberton Solar with modifications. Staff recommends conditional approvals for both applicants so that they may elect to reduce the solar array size proposed in the applications submitted in Round Two for Energy Year 2015. While the applicants' proposals of 10 MWdc facilities would exceed the authorized solar generation capacity allocation for the 2015 Energy Year, the conditional approval of two 9.457 MWdc projects would be within the limits of the solar generation capacity authorized by the Solar Act for Energy Year 2015.

Staff further recommends that should either applicant agree to this reduction, the Board authorizes the applicant to resubmit a Subsection q application package with a proposed capacity not to exceed 9.457 MWdc and a recalculated escrow amount, and submit or resubmit the appropriate SRP materials reflecting the reduction in capacity within two weeks of the effective date of this Order or forgo the conditional approval.

Should either of the applicants fail to submit a registration at the reduced capacity or should capacity otherwise become available, Staff recommends the Board direct Staff to report back to the Board on the need to open another application period on or after June 1, 2014 for the remaining capacity and any other capacity that may become available from projects that fail to timely register in the SRP or otherwise notify the Board that they do not intend to complete construction. Staff recommends that the Board conditionally approve the applications with the designation period to commence on the first day of Energy Year 2015, June 1, 2014, subject to maintenance of the escrow and registration within the SRP as described below. Staff recommends that the Board establish the commencement of the two year period for construction completion as June 1, 2014.

Table 2. Subsection q Round Two Recommended Conditional Approvals for EY 2015<sup>4</sup>

Rank by OCE Time Recv'd	Time Notice Received OCE	Date Application Received OCE	Notice / Application Submitted by	Applicant / Facility Name	Docket Number	Project / Designation Address	Project Location Town	Project County	Array Size* (MWdc)	Cumulative MW w/ EY15 1st Round Approvals Totaling 26,242	PJM Queue No.
1	16:00:01	10/17/2013	David Khasidy	G&S Wantage Solar LLC	QO13101020	Block 4, Lots 1.07 & 1.06	Boulder Hills Blvd & Route 23 Wantage, NJ 07461	Sussex	8.939	35.181	W3-110
1	16:00:01	10/22/2013	Brent Beerley	Community Energy Inc. / Hanover Solar, LLC	QO13101031	Block 700, Lots 10	410 Monmouth Road North Hanover, NJ 08562	Burlington	6.000	41.181	X4-015
3	16:00:03	10/17/2013	George Sameuhos	Unity Electric, LLC. / Alethea Solar LLC.	QO13101026	Block 60, Lot 30	100 U.S. Highway 202 Raritan, NJ 08551	Hunterdon	10.000	51.181	W2-050
3	16:00:03	10/16/2013	Tavi Avnery	ITA (Innovative Technologies & Applications) Inc.	QO13101028	Block 26, Lot 6	124 Meyer Road Frankford Township, NJ 07826	Sussex	9.905	61.086	X1-012
5	16:00:05	10/18/2013	Justin Sallusto	CEP Solar Gen10, LLC. / Gintech Energy Corporation	QO13101022	Block 39, 15 Lot 14, 2 & 2.01	Rt 57, Stewardsville, Greenwich, NJ 08886	Hunterdon	9.457	80.000	W2-091
5	16:00:05	10/17/2013	Joy Chao	Lumberton Solar, LLC	QO13101023	Block 37, Lot 7	Stacy Haines Rd Lumberton, NJ 08048	Burlington	9.457	80.000	W2-090
5	16:00:05	10/18/2013	Justin Sallusto	CEP Solar Gen10, LLC. / Gintech Energy Corporation	QO13101022	Block 39, 15 Lot 14, 2 & 2.01	Rt 57, Stewardsville, Greenwich, NJ 08886	Hunterdon	10.000	81.086	W2-091
5	16:00:05	10/17/2013	Joy Chao	Lumberton Solar, LLC.	QO13101023	Block 37, Lot 7	Stacy Haines Rd Lumberton, NJ 08048	Burlington	10.000	81.086	W2-090

Staff further recommends that the Board direct the project applicants to submit or resubmit SREC registrations for their projects within two weeks of the effective date of this Order, and that the life of the SREC registration be extended to three (3) years for these projects. Staff recommends that the Board require that project developers provide in the resubmitted and updated SRP package a construction schedule containing anticipated project completion milestone dates in a standard format developed by Staff, as well as periodically update and promptly inform the SRP processing team of any changes to those milestones. Staff further recommends that the Board waive the requirement that an SREC registration be submitted within 10 days of the execution of a contract to construct or procure panels. Staff recommends that the Board reiterate that the escrow must be maintained for the conditional approval period and the two years of full approval unless the project is completed prior to that time.

Should construction not be completed within two years of the effective date of the designation (June 1, 2014), the escrowed funds shall revert to the State and the project shall forfeit its approval to generate SRECs. Should the project complete within two years of the effective date of the designation (June 1, 2014), the escrowed funds shall be released by the Escrow agent pursuant to the terms of the Escrow Agreement, and the project shall be eligible to create SRECs beginning with the later of the date the solar generation facility is authorized to energize or June 1, 2014.

<sup>4</sup> Table 2 shows for illustrative purposes, as shaded text, the amount of capacity contained in the CEP Solar Gen10 and Lumberton Solar applications received as the fifth Notices seeking capacity in Energy Year 2015, and as unshaded text the maximum application requests that could be accommodated with the amount of capacity that remained in the 80 MW allocation for Energy Year 2015.



## ***Energy Year 2016***

Staff recommends that the Board conditionally approve nine (9) applications in Round Two, for a total of 69.35 MWdc of capacity designated as connected to the distribution system and therefore eligible to generate SRECs in Energy Year 2016, in addition to the two (2) applications approved in Round One, for a combined total capacity of 80 MWdc. However, since Orion Renewable Energy Corporation ("Orion") applied for a 10 MW dc solar electric generation facility and sufficient capacity does not remain to accommodate conditional approval of the full capacity sought, Staff further recommends that the Board conditionally approve Orion's application, in order that Orion may elect to reduce the solar array size proposed in the application submitted in Round Two for Energy Year 2016. While the applicant's proposal of a 10 MWdc facility would exceed the authorized solar generation capacity allocation for Energy Year 2016, the conditional approval of a facility with a capacity of 8.194 MWdc will be within the limits of the solar generation capacity authorized by the Solar Act for Energy Year 2016.

Staff further recommends that if this reduction in capacity is accepted, the Board authorize Orion to resubmit a Subsection q application package with a proposed capacity not to exceed 8.194 MWdc and a recalculated escrow amount, and to submit or resubmit the appropriate SRP materials within two weeks of the effective date of the Order or forgo the conditional approval. In such a case, if Orion declines to accept a reduced capacity, Staff recommends that the Board conditionally approve eight (8) applications for a total of 61.156 MWdc and a combined total of 71.086 MWdc, for Energy Year 2016, and direct Staff to report back to the Board on the need for a subsequent application period on or after June 1, 2015 for the remaining capacity and any other capacity that may become available from projects that fail to timely register in the SRP or otherwise notify the Board that they do not intend to complete construction.

Staff recommends that for each of the conditionally approved applications, designation commence on the first day of Energy Year 2016, June 1, 2015, subject to maintenance of the escrow and registration within the SRP as described below. Staff recommends that the Board establish June 1, 2015 as the commencement of the two year period for construction completion.

Table 3. Subsection q Round Two Recommended Conditional Approvals for EY 2016<sup>5</sup>

Rank by OCE Time Rec'd.	Time Notice Received OCE	Date Application Received OCE	Notice / Application Submitted by	Applicant / Facility Name	Docket Number	Contact Address	Project/ Designation Address	Project Location Town	Project County	Energy Year Requested	Array Size* (MWdc)	Cumulative MW w/ EY16 1st Round Approvals Totaling 10 65
1	16-00-09	10/18/2013	Hesser McBride / George Wetteland	Solarcity LLC.	QD13101875	P. O. Box 672 Gibwick, NJ 08858	Block 8, Lot 3	375 Highway 31 Flemington, NJ 08822	Hunterdon	EY16	2.500	13.150
2	16-00-03	10/18/2013	Brent Baerley	Community Energy Int'l / Millstone Solar LLC	QD13101027	3 Radner Corp. Ctr., Suite 300 100 Matsonford Rd Radnor, PA 19087	Block 55, Lot 2	141 Trenton Lakewood Rd Millstone, NJ 08510	Monmouth	EY16	10.000	23.150
3	16-00-04	10/18/2013	Hesser McBride / George Wetteland	Solarcity II LLC	QD13101021	P. O. Box 672 Gibwick, NJ 08858	Block 1509, 1501, Lot 7.01 B, 8, 9	1059 Butlers Rd Washington, NJ 07882	Hunterdon	EY16	9.999	33.149
4	16-00-25	10/18/2013	Gregory Underwood	Harwin Q. Delta USA Corp. / PVOne	QD13101024	8001 Irvine Center Drive, Suite 1250 Irvine, CA 92618	Block 26, Lot 16	110 Goodsprings Rd, Broadway, NJ 08808	Warren	EY16	8.157	41.306
5	16-00-09	10/22/2013	Mark Randel	MidPac Corp.	QD13101018	303 Perimeter Center North, Suite 300 Atlanta, GA 30346	Block 32, Lot 11 01	1101 Quinter Alloway Rd Quinton, NJ 08072	Salem	EY16	7.000	48.306
6	16-00-13	10/22/2013	Eddie Zeng	Zongyi Solar America Co LLC	QC13101019	15 Dogwood Ln Alpine, NJ 07620	Block 85, Lot 26.1, 16.02, 10, 10.1	33, 41, 51 Highway 202, Ringoes, Rantam, NJ 08551	Hunterdon	EY16	10.000	58.306
7	16-00-18	10/18/2013	Shuping Cong/ Xuesun Wang	North America Solar, Corp/ Blue Sky Technologies USA/ Rock Solid Realty Corp	QD13101016	182 Whitman Ave Edison, NJ 08817	Block 602, Lot 23 01	46 Gilbert Rd Bordentown NJ, 08505	Burlington	EY16	8.500	66.806
8	16-18-44	10/17/2013	Eddie Zeng	Zongyi Solar America Co LLC	QD13101004	15 Dogwood Ln Alpine, NJ 07620	Block 164 01, 163 02, Lot 2 01, 9	1049 Cedar Lane, Florence, NJ 08016	Burlington	EY16	10.000	76.806
9	16-21-08	10/17/2013	Nicholas Hiza	Orion Renewable Energy Group / Orion Solar Northeast, LLC	QD13101003	155 Grand Ave, Suite 706 Oakland, CA 94612	Block 13, 30, 33, 35, 36 Lot 1, 19, 20, 29, 10.1, 10.2, 24, 25, 26, 32, 33, 62, 65, 66, 67, 68	73 Ramah Rd Bridgeton, NJ 08302	Cumberland	EY16	8.194	80.000
9	16-21-08	10/17/2013	Nicholas Hiza	Orion Renewable Energy Group / Orion Solar Northeast, LLC	QD13101003	155 Grand Ave, Suite 706 Oakland, CA 94612	Block 13, 30, 33, 35, 36 Lot 1, 19, 20, 29, 10.1, 10.2, 24, 25, 26, 32, 33, 62, 65, 66, 67, 68	73 Ramah Rd Bridgeton, NJ 08302	Cumberland	EY16	10.000	90.000

Staff further recommends that the Board direct the project applicants to submit or resubmit SREC registrations and waive the requirement that an SREC registration be submitted within 10 days of the execution of a contract to construct or procure panels, and that the life of the SREC registration be extended to four (4) years for these projects. Staff recommends that the Board require that project developers provide in the resubmitted and updated SRP package a construction schedule containing anticipated project completion milestone dates in a standard format developed by Staff, as well as periodically update and promptly inform the SRP processing team of any changes to those milestones. Staff also recommends that the Board reiterate that the escrow must be maintained for the conditional approval period and for the two years of full approval unless the project is completed prior to that time.

Should construction not be completed within two years of the effective date of the designation (June 1, 2015), the escrowed funds shall revert to the State and the project shall forfeit its approval to generate SRECs. Should the project complete within two years of the effective date of this Board Order, the escrowed funds shall be released by the Escrow agent pursuant to the terms of the Escrow Agreement, and the project shall be eligible to create SRECs beginning with the later of the date the solar generation facility is authorized to energize or June 1, 2015.

### Facility Qualification Life Defined for Round Two Subsection q Applications

Under existing Board rules at N.J.A.C. 14:8-2.4 (b) 3, to be eligible to form the basis of an SREC, electricity must be generated during the generation facility's qualification life as defined

<sup>5</sup> Table 3 shows for illustrative purposes, as shaded text, the amount of capacity contained in the Orion application received as the ninth Notice seeking capacity in Energy Year 2016 and, as unshaded text, the maximum application request that could be accommodated with the amount of capacity that remained in the 80 MW allocation for Energy Year 2016.

at N.J.A.C. 14:8-2.2. The rules define the facility's qualification life for production of SRECs as "beginning on the date the facility was authorized to energize under N.J.A.C. 14:8-5.8." Staff recommends that the Board clarify in this Order that the facility's qualification life begins on the later of the date the facility was authorized to energize by the authority having jurisdiction or the first day of the designated Energy Year, since these proposed projects are not governed by N.J.A.C. 14:8-5.8 which applies only to net-metered projects.

Finally Staff recommends that the Board direct Staff to commence rulemaking to bring the timelines in the SRP into conformance with the Solar Act's various grid supply project approval processes.

## **DISCUSSION AND FINDINGS**

The Board has reviewed the recommendations of Staff and **HEREBY FINDS** that Staff conducted an application process for determining eligibility of grid supply solar electric generation facilities to be considered "connected to the distribution system serving New Jersey" pursuant to Subsection q of the Solar Act, and **HEREBY FINDS** that the process as executed was consistent with the Board's directives in the May 9 Order. Additionally, the Board **HEREBY FINDS** that notice of the process was provided in a manner intended to reach interested parties and provide adequate time for compliance with that process.

Accordingly, the Board **HEREBY APPROVES** two (2) applications, as identified above, for a total of 5.36 MWdc of capacity for designation as connected to the distribution system and therefore eligible to generate SRECs in Energy Year 2014. The Board **HEREBY ORDERS** that for each approved application a two (2) year period for construction completion shall run from the effective date of this Order.

The Board **DIRECTS** the applicants with approvals and designation for EY 2014 to submit or resubmit new, updated, and complete SREC Registration packages within two weeks of the effective date of this Order. The Board **HEREBY WAIVES** the requirement that an SREC registration for these projects be submitted within 10 days of the execution of a contract to construct or to procure panels. The Board **HEREBY MODIFIES** the SREC Registration length for these projects from the one (1) year allowed in the Renewable Energy Portfolio Standard (RPS) rules to two (2) years, so that the SREC registration length coincides with the two (2) year period for project completion established in the Subsection q.

The Board **HEREBY CONDITIONALLY APPROVES** six (6) applications, as identified above, for a total of 53.76 MWdc of capacity, for designation as connected to the distribution system and therefore eligible to generate SRECs beginning in Energy Year 2015. Should they agree to a reduction in the capacity of their proposed projects, the Board **HEREBY AUTHORIZES** Lumberton Solar and CEP Solar Gen10 - Greenwich to submit revised applications with recalculated escrow amounts, and submit or resubmit SREC Registration packages reflecting the reductions in capacity within two weeks of the effective date of this Order or forgo conditional approval. The Board **HEREBY ESTABLISHES** June 1, 2014 as the date from which the two year period for each conditionally approved application to complete construction begins to run. The applicant must maintain escrow and SREC registration requirements as described above.

The Board **DIRECTS** the applicants with conditional approvals and designation for EY 2015 to submit or resubmit new, updated, and complete SREC Registration packages within two weeks

of the effective date of the Order. The Board **HEREBY WAIVES** the requirement that an SREC registration for these projects be submitted within ten (10) days of the execution of a contract to construct or to procure panels. The period of time preceding the automatic approval and designation date on June 1, 2014 shall be considered a conditional SREC registration period for these applicants. The Board **HEREBY MODIFIES** the SREC Registration length for these projects from that established as one (1) year in the RPS rules to three (3) years to coincide with the two (2) year construction period established in the Solar Act and accommodate the conditional approval period.

The Board **HEREBY CONDITIONALLY APPROVES** nine (9) applications, as identified above, for a total of 69.35 MWdc of capacity for designation as connected to the distribution system under Subsection q and therefore eligible to generate SRECs in Energy Year 2016. Should it agree to a reduction in the capacity of its proposed project, the Board **HEREBY AUTHORIZES** Orion Renewable Energy Corporation to submit a revised application with recalculated escrow amount and to submit or resubmit an SREC Registration package within two weeks of the effective date of the Order or forgo conditional approval. The Board **HEREBY ESTABLISHES** June 1, 2015 as the date from which the two (2) year period for each conditionally approved application to complete construction begins to run. The applicant must maintain escrow and SREC registration requirements as described above.

The Board **DIRECTS** the applicants with conditional approvals and designation for EY 2016 to submit or resubmit new, updated, and complete SREC Registration packages within two weeks of the effective date of the Order. The Board **HEREBY WAIVES** the requirement that an SREC registration for these projects be submitted within ten (10) days of the execution of a contract to construct or to procure panels. The period of time preceding the automatic approval and designation date on June 1, 2015 shall be considered a conditional SREC registration period for these applicants. The Board **HEREBY MODIFIES** the SREC Registration length for these projects from the one (1) year in the RPS rules to four (4) years to accommodate the conditional approval period and the two year construction period.

The Board **HEREBY ESTABLISHES** that for the proposed projects approved or conditionally approved by this Order, the facility's qualification life begins on the later of the date the facility was authorized to energize by the authority having jurisdiction or the first day of the designated Energy Year, since these proposed projects are not governed by N.J.A.C. 14:8-5.8 which applies only to net-metered projects.

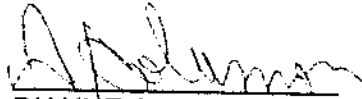
The Board **HEREBY DIRECTS** Staff to monitor projects provided conditional approval toward making a recommendation to the Board on the need for additional application periods under Subsection q on or after June 1, 2014.

This Order is issued in reliance on the information certified in the applications and does not grant any rights in connection with construction of the proposed projects beyond designation under Subsection q, provided that the facility is constructed in accordance with the plans as represented in the application and the SRP registration.

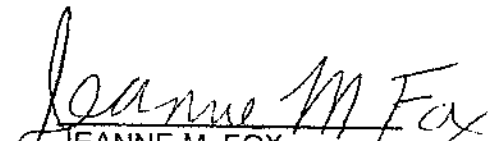
The effective date of this Order is February 14, 2014.

DATED: 2/4/14

BOARD OF PUBLIC UTILITIES  
BY:



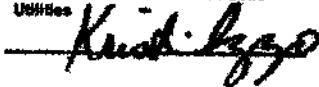
DIANNE SOLOMON  
PRESIDENT

  
JEANNE M. FOX  
COMMISSIONER  
JOSEPH L. FIORDALISO  
COMMISSIONER  
MARY-ANNA HOLDEN  
COMMISSIONER

ATTEST:

  
KRISTI IZZO  
SECRETARY

I HEREBY CERTIFY that the within  
document is a true copy of the original  
in the files of the Board of Public  
Utilities



Docket No. EO12090832V – In the Matter of the Implementation of L. 2012, C. 24,  
The Solar Act of 2012; and

Docket No. EO12090880V – In the Matter of the Implementation of L. 2012, C. 24, N.J.S.A.  
48:3-87(q), (r) and (s) – Proceedings to Establish the Processes for Designating Certain Grid-  
Supply Projects as Connected to the Distribution System – Subsection (q) Application Approvals

SERVICE LIST

Joy Chao  
**Lumberton Solar, LLC**  
900 Woodbridge Center  
P.O. Box 10  
Woodbridge, NJ 07095  
[Chingher.chao@gddc.com.tw](mailto:Chingher.chao@gddc.com.tw)

Eddie Zeng  
**Zongyi Solar America Co. Ltd**  
15 Dogwood Ln  
Alpine, NJ 07620

Greffrey Underwood  
**Hanwha Q Cells USA Corp./ PVOne**  
8001 Irvine Center Drive, Suite 1250  
Irvine, CA 92618

George Samouhos  
**Unity Electric, LLC**  
1 Madison Street, Suite F1  
East Rutherford, NJ 07073

Deidre Lewis  
**Augusta Solar Farms. LLC.**  
31 Fairview Hill RD  
Newton, NJ 07860

Justin Sallusto  
**CEP Solar Gen10, LLC.**  
20A South Beers Street  
Holmdel, NJ 07733

Keissler Wong  
**Rock Solid Realty, Inc. - North American  
Solar Corp**  
1069 RTE 18 South  
East Brunswick, NJ 08816  
[Keissler88@gmail.com](mailto:Keissler88@gmail.com)

Mark Randall  
**Midfiare Corporation**  
303 Perimeter Center North  
Suite 300  
Atlanta, GA 30346

Tovi Avery  
**ITA (Innovative Technology & Application)  
Inc.**  
17 Manison Street  
Stoneham, MA 02180  
[tovi@ita.com](mailto:tovi@ita.com)

Hesser McBride, Esq./ George Wetteland  
**Solartricity LLC**  
**Solartricity II LLC**  
Post Office Box 672  
Oldwick, NJ 08858  
[gwetteland@me.com](mailto:gwetteland@me.com)

Nicholas Hiza  
**Orion Solar Northeast, LLC**  
155 Grand Ave Suite 706  
Oakland, CA 94612  
[nhiza@orionrenewables.com](mailto:nhiza@orionrenewables.com)

Philip J. Passanante, Esq.  
Associate General Counsel  
**Atlantic City Electric Company**  
500 N. Wakefield Drive  
PO Box 6066  
Newark, DE 19714-6066  
[Philip.Passanante@pepcoholdings.com](mailto:Philip.Passanante@pepcoholdings.com)

Shuping Cong  
**Blue Sky Technologies**  
182 Whitman Avenue  
Edison, NJ 08817  
[Scong2001@yahoo.com](mailto:Scong2001@yahoo.com)

Jim Spano  
**North Park Solar Energy**  
516 Rt. 33 West,  
Building 2, Suite 1  
Millstone Township, NJ 08535  
[jimspano@spanopartners.com](mailto:jimspano@spanopartners.com)

David Khasidy  
**G&S Wantage Solar, LLC**  
545 Madison Ave., 14<sup>th</sup> Floor  
New York, NY 10022  
[david@sunraypowerllc.com](mailto:david@sunraypowerllc.com)

Katie Bolcar Rever,  
Director, Mid-Atlantic States  
**Solar Energy Industries Association (SEIA)**  
505 9<sup>th</sup> Street NW Suite 800  
Washington, DC 20005  
[krever@seia.org](mailto:krever@seia.org)

Jane Quinn, Esq.  
**Orange & Rockland**  
390 West Route 59  
Spring Valley, NY 10977  
[QUINN@oru.com](mailto:QUINN@oru.com)

Matthew M. Weissman, Esq.  
**Public Service Electric and Gas Company**  
80 Park Plaza - T5, PO Box 570  
Newark, NJ 07102-4194  
[Matthew.Weissman@pseq.com](mailto:Matthew.Weissman@pseq.com)

Brent Beerley, Manager  
**Community Energy, Inc.**  
Three Radnor Corporate Center, Suite 300  
100 Matsonford Road  
Radnor, PA 19087  
[bbeerley@communityenergyinc.com](mailto:bbeerley@communityenergyinc.com)  
[Brent.Beerley@CommunityEnergyInc.com](mailto:Brent.Beerley@CommunityEnergyInc.com)

Michael P. Torpey, Managing Partner  
**A.F.T. Associates, LLC**  
15 West Front Street, 4<sup>th</sup> Floor  
Trenton, NJ 08608  
[Mtorpey.aft@gmail.com](mailto:Mtorpey.aft@gmail.com)

Joe Gennello  
**Honeywell Utility Solutions**  
5 East Stow Road, Suite E  
Marlton, NJ 08053  
[joe.a.gennello@honeywell.com](mailto:joe.a.gennello@honeywell.com)

James J. Dixon  
Chief Legal & Compliance Officer  
**ConEdison Development**  
[NoyesM@coneddev.com](mailto:NoyesM@coneddev.com)

Christopher Savastano  
Larry Barth, Director Business Development  
Richard Gardner, Vice President  
**NJR Clean Energy Ventures**  
1415 Wyckoff Road  
PO Box 1464  
Wall, NJ 07719  
[csavastano@njresources.com](mailto:csavastano@njresources.com)  
[lbarth@njresources.com](mailto:lbarth@njresources.com)  
[rgardner@njresources.com](mailto:rgardner@njresources.com)

Gary N. Weisman, President  
Fred DeSanti  
**NJ Solar Energy Coalition**  
2520 Highway 35, Suite 301  
Manasquan, NJ 08736  
[info@njsec.org](mailto:info@njsec.org)  
[Fred.desanti@mc2publicaffairs.com](mailto:Fred.desanti@mc2publicaffairs.com)

Lyle K. Rawlings, P.E., Vice President  
**MidAtlantic Solar Energy Industries Assoc.**  
c/o Rutgers Eco Complex, Suite 208-B  
1200 Florence-Columbus Road  
Bordentown, NJ 08505  
[Lyle@renewablepowerinc.com](mailto:Lyle@renewablepowerinc.com)

Gregory Eisenstark  
**Morgan, Lewis & Bockius LLP**  
89 Headquarters Plaza North, Suite 1419 | Morri  
NJ 07960  
[geisenstark@morganlewis.com](mailto:geisenstark@morganlewis.com)

Stephen B. Pearlman, Esq.  
Inglesino Pearlman Wyciskala & Taylor LLC  
**Morris County & Somerset County**  
600 Parsippany Road  
Parsippany, NJ 07054  
[spearlman@iandplaw.com](mailto:spearlman@iandplaw.com)

Paul Flanagan, Executive Director  
Board of Public Utilities  
44 South Clinton Avenue, 9<sup>th</sup> Floor  
Post Office Box 350  
Trenton, NJ 08625-0350  
[Paul.flanagan@bpu.state.nj.us](mailto:Paul.flanagan@bpu.state.nj.us)

Janice S. Mironov, Mayor, E.Windsor, Pres.  
William G. Dressel, Jr., Exec. Dir.  
**NJ League of Municipalities**  
222 West State Street  
Trenton, NJ 08608  
[league@njslom.com](mailto:league@njslom.com)

Stefanie A. Brand, Esq., Director  
Division of Rate Counsel  
140 East Front Street, 4<sup>th</sup> Floor  
Post Office Box 003  
Trenton, NJ 08625-0003

Felicia Thomas-Friel, Esq.  
Division of Rate Counsel  
140 East Front Street, 4<sup>th</sup> Floor  
Post Office Box 003  
Trenton, NJ 08625-0003  
[ftomas@rpa.state.nj.us](mailto:ftomas@rpa.state.nj.us)

Sarah Steindel, Esq.  
Division of Rate Counsel  
140 East Front Street, 4<sup>th</sup> Floor  
Post Office Box 003  
Trenton, NJ 08625-0003  
[ssteindel@rpa.state.nj.us](mailto:ssteindel@rpa.state.nj.us)

Marisa Slaten, DAG  
Department of Law & Public Safety  
Division of Law  
124 Halsey Street  
Post Office Box 45029  
Newark, NJ 07101-45029  
[Marisa.Slaten@dol.lps.state.nj.us](mailto:Marisa.Slaten@dol.lps.state.nj.us)

Caroline Vachier, DAG  
Department of Law & Public Safety  
Division of Law  
124 Halsey Street  
Post Office Box 45029  
Newark, NJ 07101-45029  
[Caroline.Vachier@dol.lps.state.nj.us](mailto:Caroline.Vachier@dol.lps.state.nj.us)

Babette Tenzer, DAG  
Department of Law & Public Safety  
Division of Law  
124 Halsey Street  
Post Office Box 45029  
Newark, NJ 07101-45029  
[Babette.Tenzer@dol.lps.state.nj.us](mailto:Babette.Tenzer@dol.lps.state.nj.us)

Kristi Izzo, Secretary  
Office of the Secretary  
Board of Public Utilities  
44 South Clinton Avenue, 9<sup>th</sup> Floor  
Post Office Box 350  
Trenton, NJ 08625-0350  
[Kristi.izzo@bpu.state.nj.us](mailto:Kristi.izzo@bpu.state.nj.us)

Betsy Ackerman, Acting Director  
Office of Clean Energy  
Board of Public Utilities  
44 South Clinton Avenue, 9<sup>th</sup> Floor  
Post Office Box 350  
Trenton, NJ 08625-0350  
[elizabeth.ackerman@bpu.state.nj.us](mailto:elizabeth.ackerman@bpu.state.nj.us)

Benjamin S. Hunter  
Office of Clean Energy  
Board of Public Utilities  
44 South Clinton Avenue, 9<sup>th</sup> Floor  
Post Office Box 350  
Trenton, NJ 08625-0350  
[b.hunter@bpu.state.nj.us](mailto:b.hunter@bpu.state.nj.us)

Allison E. Mitchell, AAI  
Office of Clean Energy  
Board of Public Utilities  
44 South Clinton Avenue, 9<sup>th</sup> Floor  
Post Office Box 350  
Trenton, NJ 08625-0350  
[allison.mitchell@bpu.state.nj.us](mailto:allison.mitchell@bpu.state.nj.us)

Rachel Boylan, Legal Specialist  
Counsel's Office  
Board of Public Utilities  
44 South Clinton Avenue, 9<sup>th</sup> Floor  
Post Office Box 350  
Trenton, NJ 08625-0350  
[rachel.boylan@bpu.state.nj.us](mailto:rachel.boylan@bpu.state.nj.us)

Charles W. Hance, Legal Specialist  
Counsel's Office  
Board of Public Utilities  
44 South Clinton Avenue, 9<sup>th</sup> Floor  
Post Office Box 350  
Trenton, NJ 08625-0350  
[charles.hance@bpu.state.nj.us](mailto:charles.hance@bpu.state.nj.us)