



Renewable Energy Committee Meeting Notes

November 7, 2013

BPU 1st Floor Meeting Room - Trenton, 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. Lypse)

Ms. Lypse called the meeting to order at 1:00 pm and asked the participants in the room and those on the phone to introduce themselves.

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

Mr. Hunter read the legal disclaimer above.

a. Regulatory Update / Board Orders and Proceedings

Mr. Hunter reported that the following items were acted upon by the Board at its October 16, 2013 agenda meeting:

- The Board extended the review period for the three EDC SREC-based finance programs through December 31, 2013.
- The Board denied a petition brought by Mr. and Mrs. Van Houton for a waiver request on metering requirements.
- The Board extended the time period for reconsideration of a Subsection (q) application.
- The Board approved Staff's recommendation to take the >1 MW CHP program in-house and have Staff manage it. TRC will continue to manage the <1 MW CHP program.

Mr. Hunter said that Items on the Board's November 22 agenda will include the implementation of a Memorandum of Understanding with the Department of Community Affairs on fire safety training for solar and wind projects, and the EDC's proposal to process outdated net metering and interconnection applications. He said Staff will recommend the amendment of interconnection rules to place a life expectancy on applications.

b. Discussion of NJCEP Program Administrator RFP / Transition Status

Mr. Hunter said he had “nothing to present as far as an update on the contract award and the protest.”

c. FY15, 16 & 17 Funding Levels

Mr. Hunter discussed the ongoing progress of the CRA working groups that will help inform the funding level process for FY15-17.

d. Request for Comments on Proposed Revisions to FY14 Programs and Budget

Mr. Ambrosio reviewed the spreadsheet circulated for comments two weeks ago and distributed to the RE Committee on November 6 on the true-up of estimated versus actual expenses for the FY2014 programs (Presentation #1). The new budget is \$418 million, less \$161 million that has been lapsed for general purposes. He said the RE budget was reduced to reflect the amount of money needed to get the program through the remainder of the year. Cuts were made primarily in the areas of program evaluation and transition. He said Staff felt the budget will be tight but has the expectation that funds will be fully committed, given the ability of Staff to move money from underutilized programs to those in need of additional funds.

Mr. Ambrosio noted the following program changes:

- In the CHP program, systems must have a minimum run time of 5,000 hours per year, except for critical facilities which must have a minimum run time of 3,500 hours per year.
- In Pay for Performance, program requirements will be aligned with construction schedules.

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

a. Subsection (q); Summary of Applications Received for Round 2

Mr. Hunter said a second round of applications for Subsection (q) was approved by the Board at its August 21 agenda meeting in order to absorb the remaining capacity for Energy Years (EY) 2014-16, with the application period opening at 4:00 pm EST on October 15. By the conclusion of the two-part application process, a total of 28 applications were received. Although Staff is still in the process of verifying escrow payments and application completeness, Mr. Hunter reported receiving the following:

- EY2014: 2 applications totaling 5.36 MW
- EY2015: 14 applications totaling 108 MW
- EY2016: 12 applications totaling 94 MW

A participant in the room asked a question regarding SRP applications still reflected in the pipeline. Mr. Hunter declined to comment. The participant then asked if OCE would distribute a list of the applications received. Mr. Hunter said a list would be issued but offered no timetable.

Another participant in the room asked about available capacity for each Energy Year. Mr. Hunter said the available capacity could be determined by subtracting the amount taken in Round 1 from the 80 MW allocated for each Energy Year. Thus, 11.908 MW is available in EY2014 (80 – 68.092 MW); 48.758 MW is available in EY2015 (80 – 31.242 MW); and 59.35 MW is available in EY2016 (80 – 20.65 MW).

A participant on the phone asked about moving unused capacity from EY2014 to EY2015 or EY2016. Mr. Hunter said he did not know the answer to that, but would speak with someone about it.

A participant in the room asked if any Subsection (q) applications came in prior to 4 pm EST on October 15. Mr. Hunter said the Board's clock was found to be eight seconds behind the World Clock but stated that there were no premature applications.

b. Subsections (r) & (t)

Mr. Hunter said there is a need to conduct rulemaking for Subsections (r) and (t) within the context of the RPS rulemaking.

c. Investigating Approaches to Mitigate Solar Volatility (C. Garrison)

Mr. Garrison reviewed his presentation (#2), noting that installed solar capacity stands at 1,155.4 MW as of October 21, 2013 with an additional 357.4 MW in the pipeline. A participant asked about SREC trades for EY2013 and EY2014. Mr. Garrison said he would start presenting EY2014 charts at the next RE Committee meeting, although they are currently available on the NJCEP website and are distributed to the RE listserv.

A participant asked about the impact of solar generation and energy efficiency on load growth. Mr. Garrison answered that both had an impact in reducing retail electric sales to 76.26 million MWH sold in EY2013, as did the power outages caused by Hurricane Sandy.

IV. Program Updates

a. Biopower Working Group Update (R. Reisman)

Mr. Reisman reported that Staff has submitted a proposed Solicitation to the Board and expects the item to be on the December 18, 2013 agenda. If approved, the Solicitation would be rolled out in January 2014. He said the Solicitation is based on the straw proposal released on September 18, 2013 and modified in accordance with a discussion at a biopower working group meeting on September 20 and written comments received through October 4.

b. Energy Storage Working Group Update (J. Lupse)

Ms. Lupse said the Market Manager team is developing a straw proposal for the Energy Storage Solicitation and expects to issue it prior to the next Energy Storage Working Group meeting on December 5, 2013 at 2:00 pm in the DEP Hearing Room. She added that Staff was also looking at issuing a request for information on potential storage projects to help inform the CRA proceeding.

c. Operations Update (J. Lupse)

Ms. Lupse reported on Presentation #3. She noted that 684 SRP registrations were received in October, along with 967 Final As-Builts. She attributed the spike in the Final As-Built number to a large number of submissions from a military housing project at McGuire Air Force Base.

V. Update on Interconnection Issues

a. Overview of NM & INX Stakeholders Meeting Held on 11/1/13

Mr. Hunter reported on the discussion at the stakeholders meeting regarding the impact of combination fossil-RE systems on net metering. He said John Teague is assembling a working group that will meet in early December to start the process of developing tools for applicants and EDCs to ensure that fossil-generated electricity is not credited for month-to-month net metering carryover.

He said stakeholders also discussed other technical issues regarding bandwidth, a DOE-funded study by Atlantic City Electric on solar penetration and the process of scrubbing of outdated interconnection applications.

Mr. Ambrosio asked about biopower projects that wish to combine biogas and natural gas in a CHP system. Mr. Hunter answered that this issue has come up in Biopower Working Group meetings and will be addressed in the future.

V. RPS issues (S. Hunter)

a. Revised retail sales figures for EY2013 RPS solar compliance

Mr. Hunter said Ron Jackson found an error in calculating retail sales figures that could have resulted in an incorrect SREC requirement. That error is being corrected.

b. GATS Changes and Upgrades

He said the GATS system has made some changes concerning user input, and that a document describing those changes has been circulated to the RE listserv.

c. Solar Act rulemaking schedule

He noted that “there is no hard and fast schedule” for this rulemaking, but said he is working with the Board’s legal staff to develop one. He does not anticipate stakeholder meetings until early 2014.

VI. Other Topics / New Business

There being no other business, the meeting was adjourned at 2:45 pm. The next meeting will be held on Monday, December 9, 2013 at 1:00 pm.