

New Jersey Clean Energy Program  
Renewable Energy Committee Meeting  
January 15, 2008

Conservation Services Group Office, 75 Lincoln Highway, Iselin, NJ

In attendance: From Sign-In Sheet: Approximately people attending in person

By Phone: (approximately 8 people).

1. Introductions

The meeting started with introductions for participants in person and by phone.

2. Market Research Summary

Jack Lloyd, Market Strategies Inc. reviewed a Power Point presentation that provides an overview of survey research studies that were conducted during 2007. Telephone survey of 1,777 business customers Sept-Oct, 07. Four focus groups. Detailed reports and power point are available on [www.njcep.com](http://www.njcep.com). Highlights are presented below.

The research covered both renewable and efficiency markets. Awareness has increased in both markets. The perceived importance of using efficiency has increased significantly from 2005 to 2007. The perceived importance of using renewable energy has not increased significantly from 2005 to 2007.

Businesses are interested in developing green image branding related to green energy.

Many businesses are aware of NJCEP programs and that their electric rates include a societal benefits charge. There was a strong majority supporting the collection of an SBC charge and statewide single agency for offering technical assistance and incentives. At the same time, utilities were seen as performing somewhat better than the state at helping businesses address energy issues.

Focus group discussions identified that it is important for the state to take a leading role in clean energy and efficiency, but also questioned about how well thought out and productive the state's efforts are.

Program awareness has grown across the board. Clean Power Choice has the highest recognition. Renewable programs are 4 of the top 5 in awareness.

Perceived complexity is a barrier to participation, particularly for small or medium sized business customers.

Conclusions include the importance of stressing bottom line benefits for RE and EE. Key challenge is to convince businesses that state is an effective partner for improving energy management. Renewable programs have higher levels of awareness.

Questions – Jim Torpey asked about what the research showed with respect to the payback businesses are looking for. Three years seemed to be a threshold that was commonly mentioned.

Maureen Quaid asked about whether there was a distinction between larger and small companies as to whether they preferred to use simple payback or ROI as an indicator for evaluating options. Jack indicated he will look at the data to see if there is a trend here, but that there did not appear to be a distinction.

Mike Mercurio asked about whether companies were asked if they were willing to look at an 8 to 10 year payback for renewable energy supply.

There was some discussion about how the market experience from the past year compares to the survey results with respect to pay-back periods.

### 3. Marketing and Communications Update -2008 Plans

Anne Marie McShea provided a marketing and communications update. Planning for the conference and awards is starting. Anne Marie asked that anyone interested in participating in the planning committees send an email to Maureen.

A Community Partners meeting is being planned for January 24<sup>th</sup> in Princeton at the Princeton Library. A meeting notice will be circulated to the list-serve.

Clarification from Mike Ambrosio that the Honeywell Team is working with Anne Marie to coordinate proposed 2008 activities for the Market Manager team with the Community Partner efforts from 2007.

Community Partnership forms are available on the web-site.

Mike Mercurio announced that 37 communities in Ocean County are being invited to Ocean Gate on February 12<sup>th</sup> to review community wind opportunities and the wind model ordinance.

### 4. EMP/CRA/RPS Proceedings Update

Scott Hunter provided an update on the proceedings underway. He noted that the Energy Master Plan has been delayed. The CRA proceeding to establish budgets for the 2009 to 2012 time horizon will proceed with goals that have been established according to September Board Order (Solar Transition Order), 900 MW Biomass (Rutgers assessment), 350 MW of off-shore wind (Blue Ribbon Panel). The OCE has presented a CRA straw. Summit Blue renewable market assessment report is being

reviewed by OCE. It will be released once this review is complete, and will be a topic for discussion at the February RE Committee meeting. Comments on the straw proposal for the CRA will also be a topic for discussion at the February meeting. Informal comments will be accepted once the market assessment is distributed (potentially week of 1/21/08).

The straw proposal lays out budgets for solar, wind and biomass markets. There will be hearings in March or April on the Straw Proposal.

Draft proposal for RPS rulemaking was released, circulated by Scott Hunter to list serve last Friday January 11<sup>th</sup>. An informal stakeholder meeting to review these is scheduled for January 30, 10 am Board Hearing Room in Newark. Pre-proposal discussion, before the rules are posted in the New Jersey register. This will be followed by a formal hearing at a later date.

Question from Mark Warner about whether the anniversary date issue would be addressed in this proceeding. There may be a separate rulemaking to address. The current proceeding is intended to codify what was included in the September 12<sup>th</sup> Board Order.

#### 5. Legislative Update

Mark Loeser and Steve Wiese reviewed handout on approved and pending legislation.

Net metering **S2936** legislation passed and was signed in early January. This legislation raises the cap for net metering, and also extends net metering to large commercial and industrial customers. A rule-making will be required to implement these changes.

RGGI implementation bill has also been signed and will have implications.

The Market Manager team will start to make a regular report on the legislative update, and welcomes comments from stakeholders regarding particular pieces of legislation that are of interest.

#### 6. Program Coordinator Update

Mike Ambrosio indicated that the Program Coordinators are moving into new office space next week. Monthly reporting will begin in February of 08. The program coordinator will also start to inspect 10% of the total that Honeywell Team inspects. Half of these will be done with the Honeywell Team. The remainder are primarily visual inspections. Jim Courtney is the Program Coordinator inspector.

#### 7. 2008 Budget approval and CORE allocations

Charlie Garrison reviewed the close out of the 2007 Budget. There was a \$6.4 million carry-forward of uncommitted funds from 2007 to 2008.

Board agenda for January 16<sup>th</sup> includes an item to clarify how the caps are implemented and this will impact the final disposition of the queue from 2007 to 2008.

There will be approximately \$57 million available for new funding approvals once the budget is updated. Some project cancellations and resizing may increase the final number. There will also be a new row, with \$4.75 million for non-solar projects.

There are potential new funds associated with reallocation of EDA funds and interest payments. These funds will not be available for program funding allocations until CRA proceeding and budgets are established. It may be the middle of the year.

The Market Managers will work with OCE to provide an update on the potential for incremental funding.

Charlie also reviewed the Commitment Category Status Report (12/31/07 version).

Total installed capacity at the end of December was 48.1 MW.

Scott mentioned the data points requested by the Board at the end of the September 12<sup>th</sup> Board Order. The Market Manager team is working with OCE to develop these reports. The Market Managers are also open to meeting with interested parties to discuss how the reporting can best meet market needs.

#### 8. RE Committee Meeting Agendas and Structure

Maureen reviewed options that have been discussed regarding how to provide greater market and policy focus for the meetings with less time devoted to regular reporting. There might also be a forward agenda for the year to identify when discussions are planned.

There was consensus that every other meeting we'd start to have updates reports, with a pre-published agenda for thematic discussion topics. Standing agenda items would still include legislation and proceeding updates.

#### 9. Working Group Updates

##### a. BioPower

Carol Collins reviewed the biopower working group recent activities. A technical working group meeting is scheduled on February 7<sup>th</sup> meeting at Eco Complex at Rutgers. This meeting will focus on a SWOT analysis.

There are a number of projects at various stages of development. Agencies, developers, municipalities and stakeholders are expected to participate.

b. Small Wind

Alma Rivera reviewed small wind working group recent activity. The list serve for the group is being revised to permit digest delivery as opposed to receiving all emails in the thread. Alma requested that some email discussion be conducted directly between members rather than to post back to the whole list.

The CORE processing team provided two trainings in November and December the expected performance based buy-down was reviewed at these meetings. New forms are pending final approval by OCE before they are posted on the web-site.

Alma clarified that the Ocean County wind meeting will be limited primarily to participation from the community mayors, and council members. Any inquiries on this should be directed to Alma.

The next wind working group meeting is January 29<sup>th</sup>, BPU Newark Conference Room 3 from 10 to noon. Focus will be on net metering and group net- metering discussions. An agenda will be circulated.

c. CORE Technical

Maureen provided a brief update on CORE technical working group. Looking forward the technical group will not limit discussions strictly to CORE program.

Mark Valori will reschedule technical working group meeting shortly. These will be occurring monthly in 2008. This is a good forum for discussions that are more detailed than appropriate for discussion in the full RE committee meeting.

d. Net Metering and Interconnection

Scott indicated that this working group has been on hiatus. The new net metering legislation will now reopen the process for development of a Board Order and rulemaking.

Further discussion and process for re-establishing the working group will be part of future meetings.

## 10. Program Updates

### a. CORE

Larry Barth reviewed CORE program activity for 2007 and 2008. Total approvals for year were 1,070, 16.2MW, and \$60 million. A good deal of activity approved in the Jun-Aug of 2007 will come in for completions and inspections in the first quarter of 2008.

Goals are to complete private approvals in April, 60LT projects per week, 15 per week from other categories. Larry reviewed proposals for by-pass processes.

Inspections, Maureen announced that new inspection protocols enabling CORE inspectors to do their inspections before the local code inspectors. The UCC will not be required for final paperwork, but will be required for final rebate payment. This will be rolled out during the first quarter of this year. Maureen announced that the Market manager team is working with Gary Winslow on wind inspections.

Completions for 2007, 600 projects, 19.1MW, \$64.5 million.

Larry reviewed the application processing practices and the handling of new applications during the last quarter of 2007.

Larry also reviewed CORE Q1 priorities.

### b. SRECs

Steve Wiese reviewed SREC-Only pilot activity. Steve provides a weekly summary report update weekly on the web site.

Total registrations submitted for the program to date is 123 MW. 63 MW accepted, 13 kW are completed and enrolled. 31 MW have been withdrawn.

~10 MW have reported on expected quarterly completion survey completed in 4Q, 2007.

Guide to participation is approved and posted.

New metering requirements are being implemented. ANSI C.12 certified meter is required.

28 MW of applicants are pending but have not been responsive. There is a project completion timeline once a project is approved, but before hand there are not any expiration dates.

Steve also reviewed the Market Managers proposal for initiating a process for the GATS transition plan.

c. REDI Update

Larry Barth reviewed the REDI initiative objectives. The incentive structure is designed to support larger projects that are up to net metering limit or possibly grid supply scale projects.

Next Meeting

The next meeting date will be scheduled for early February. A meeting notice will be circulated. The meeting will be held at Conservation Services Group, 75 Lincoln Highway in Iselin.

## Renewable Energy Committee Meeting

### Attendees

Tuesday, January 15, 2008

1:00PM - 3:30PM

Conservation Services Group  
75 Lincoln Highway, Suite 101  
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Name	Company	Phone	E-mail
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