



Renewable Energy Committee Meeting Notes

January 14, 2014

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 (R. Reisman)

Mr. Reisman 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 / Legislation Update

Mr. Hunter said he had nothing to report.

b. Board Orders and Proceedings

Mr. Hunter said that at its December agenda meeting, the Board:

- approved petitions from RECO, ACE and JCP&L for their SREC-based financing programs;
- authorized the Market Manager to make a rebate payment to Mr. James Knoeller for a failed wind turbine project after an NREL study cleared the owner of any fault relating to the failure;
- approved two Subsection (t) applications (PSE&G and KDC Solar);
- extended the contracts for AEG, TRC & Honeywell through June 30, 2014.

Upcoming items for the Board's January 22 agenda meeting:

- Round 2 Subsection (q) applications (to meet the 90 day requirement in Solar Act);
- Subsection (t) applications on which staff will make recommendations to the Board.

c. Discussion of NJCEP Program Administrator RFP / Transition Status

Mr. Ambrosio reported that a completely new team is being assembled to re-evaluate the proposals and there will be a mandatory protest period after their decision is announced. To make sure there is no disruption in programs, a further extension of the existing contracts will be requested early in the process.

d. FY15, 16 & 17 Funding Levels

Mr. Ambrosio said consideration is being given to addressing another one-year funding level for FY15 as was done for FY14. He said Staff is working internally on the FY15 budget and anticipates sending it out for public comment in March, with the expectation that it can present the budget to the Board in May.

e. FY14 Approved Program Plans and Budget

Mr. Ambrosio gave a presentation on the 2nd revised NJCEP budget for FY14. Among the highlights:

- The Board approved the true-up budget at its last agenda meeting
- The budget accounts for a \$161 million lapse to general fund
- There are sufficient funds to continue the current line-up of programs through current fiscal year
- Funds may be shifted from programs with lower participation rates to those with higher rates
- Energy Storage and Biopower funds remain untouched
- \$1.2M allocated for transition costs moved to EE

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

a. Subsection q

Mr. Hunter said that Round 2 of Subsection (q) opened at 4:00 pm on October 15 and ended on October 31. He noted that The Solar Act requires the Board to act within 90 days, so Staff is preparing recommendations to the Board for its January 22 agenda meeting. He added that he expects Round 2 to follow the same form as Round 1. He declined any further comment on Subsection (q) based on the advice of counsel.

b. Subsections r, s & t

Mr. Hunter said Subsection (s) does not require rulemaking.

c. Mitigating Solar Volatility

Mr. Hunter presented slides compiled by Mr. Garrison outlining data on installed capacity, the project pipeline, deactivations and SREC prices and trading activity. He requested that the Market Manager begin reporting on capacity based on the date of the EDC authorization to operate rather than the QC/QA Selected status date.

He displayed the draft SRP Milestone Form which must be submitted with new SRP Registrations and on a quarterly basis thereafter for all grid supply projects and any behind-the-meter projects greater than 1 MW. March 31, 2014 was established as the target date for all active projects to prepare the first update to comply with this requirement. The Market Manager will draft a notification and process for accepting these documents. It was recommended by a participant at the meeting that these documents be submitted electronically.

IV. Program Updates (R. Reisman, T. Gray)

a. Biopower working group update

b. Energy Storage working group update

Mr. Reisman presented revised timelines showing tentative dates in the both the biopower and energy storage competitive solicitation schedules. He noted that the Market Manager has submitted a draft biopower solicitation and a draft energy storage straw proposal to Staff for review.

c. Operations Update

Ms. Gray presented a report on monthly totals and trends for SRP registrations, final as-built paperwork and completions, along with data on PPA vs. non-PPA projects.

IV. Update on Interconnection Issues (J. Teague)

Mr. Teague said there will be conference call on January 23 at 2:00 pm for Technical Committee on net metering issues. Call-in information is identical to the previous interconnection working group meeting.

V. RPS issues (R. Jackson)

Mr. Jackson noted that Solar RPS compliance filings were due in December, and that Staff is still in the validation process with all reports. He predicted there will be more than 596,000 SRECs retired for EY13 when all is resolved, based on the fact that 595,440 have been retired to date and approximately 700 are yet to be reported. He estimated the total cost of RPS compliance for EY13 at approximately \$150 million.

VI. Other Topics / New Business

There being no further business, the meeting was adjourned at 2:05 pm. The next meeting is scheduled for February 11, 2014 at 1:00 pm.