

## Instructions for Applicants under the Solar Act of 2012's Subsection (q)

*The following Notice and application instructions are intended only for developers of grid-supply solar electric power generation facilities ("Facilities") seeking approval from the New Jersey Board of Public Utilities ("NJBPU" or "Board") to qualify pursuant to N.J.S.A. 48:3-87 (q) as "connected to the distribution system" for purposes of Solar Renewable Energy Certificate ("SREC") eligibility. Applicants must file Notice according to the following instructions to be eligible for consideration.*

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1. Applications will be accepted by staff as described below 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 below.
2. Applications will be accepted in two parts:
  - a. A one-page Notice will be distributed via the New Jersey Clean Energy Program (NJCEP) Renewable Energy stakeholder email distribution list and will be available on both the NJBPU and NJCEP websites. This one page form must be printed, filled out, signed in ink, scanned and saved as a "pdf" file, then sent as an attachment via electronic mail to [Qnotice@bpu.state.nj.us](mailto:Qnotice@bpu.state.nj.us) Only the completed one-page form will be accepted; forms with additional attachments will be rejected.
  - b. Applicants will have five (5) calendar days following submission of a Notice, or until May 31, 2013, whichever comes first, to submit the completed application with all required attachments to: **Secretary, New Jersey Board of Public Utilities, 44 South Clinton Avenue, 9<sup>th</sup> floor, P.O. Box 350, Trenton, New Jersey 08625-0350.**
3. An escrow agreement executed on or prior to May 15, 2013, using the form of agreement available on the NJBPU and NJCEP websites, must be included with the application.
4. Application period opens at 4 p.m. on Wednesday, May 15, 2013, and runs through 4 p.m. on Friday, May 31, 2013. No Notice will be accepted prior to 4 p.m. on May 15, 2013. The time stamp of the NJBPU's server will control.
5. Only one application per project will be accepted. Notice for each project must be separately submitted. Only one Notice per email transmission will be accepted. Duplicate applications, applications for more than one Energy Year, applications for projects greater than 10 MWdc, and applications proposing more than one project per PJM interconnection queue position will be rejected.
6. Applicants should send via electronic mail no earlier than 4 pm on Wednesday May 15, 2013 an email message containing the applicant's contact information and facility identification with the only email attachment being the one-page scanned Notice in "pdf" file format as described.
7. Applicants under the Solar Act's Subsection s. that were not approved on April 29, 2013 are eligible to apply under Subsection q. Subsection s. applicants that were not denied on April 29, but were deferred pending the Board's development of additional reporting requirements, may also apply under Subsection q, and will not forfeit their ability to continue to seek approval under Subsection s. should the facility not be approved under Subsection q. Applicants approved under Subsection q. will not be required to comply with data submission and reporting requirements anticipated to be required of Subsection s. applicants.

## Notice of Intent to Apply under Subsection (q)

### **Applicant Contact Information**

Applicant Company Name (if applicable): \_\_\_\_\_

Mr. \_ Ms.\_ Dr: \_ First Name: \_\_\_\_\_ Last Name: \_\_\_\_\_

Daytime Phone: \_\_\_\_\_ Email: \_\_\_\_\_

Applicant Mailing Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_

### **Proposed Solar Facility Physical Characteristics; Size, Location, Point of Interconnection**

Solar Facility Size: \_\_\_\_\_ MW dc \_\_\_\_\_ MW ac

Module Capacity: \_\_\_\_\_ Watts dc Proposed Module Quantity: \_\_\_\_\_

Solar Facility Location or Address: \_\_\_\_\_

Solar Facility Block and Lot Number(s): \_\_\_\_\_ : \_\_\_\_\_

Solar Facility Township: \_\_\_\_\_ Solar Facility Zip Code: \_\_\_\_\_

Electric Distribution Company (EDC) or MUA territory: \_\_\_\_\_

PJM Interconnection Queue Number: \_\_\_\_\_

Indicate which Energy Year the applicant seeks approval of a designation for the distinct solar electric generating facility described above. The project if completed in accordance with all requirements would be eligible to generate SRECs for compliance with the NJ RPS commencing, at the earliest at the start of the Energy Year selected or on the date of authorization to energize if later than the start of the Energy Year selected below. (check one):

EY14 (6/1/13 through 5/31/14): \_\_\_\_\_ with date of designation within EY14 upon approval by the Board

EY15 (6/1/14 through 5/31/15): \_\_\_\_\_ with date of designation being June 1, 2014, or

EY16 (6/1/15 through 5/31/16): \_\_\_\_\_ with date of designation being June 1, 2015.

### **Applicant Certification**

The undersigned warrants, certifies, and represents that the information provided in this Notice is true, accurate, complete and correct to the best of the undersigned's knowledge, and realize that certain information in this Notice may be subject to disclosure under the Open Public Records Act N.J.S.A. 47:1A; and acknowledge that submission of false information may be grounds for denial of this application, and if willfully false, subject to punishment to the full extent of the law.

Signature: \_\_\_\_\_

Print Name: \_\_\_\_\_ Date: \_\_\_\_\_



# Solar Act Subsection q. Application Form

## Application Form: Requirements, Instructions, Terms and Conditions

*The following application is intended only for developers of grid-supply solar electric power generation facilities (“Facilities”) seeking approval from the New Jersey Board of Public Utilities (“NJBP” or “Board”) to qualify pursuant to N.J.S.A. 48:3-87 (q) as “connected to the distribution system” for purposes of Solar Renewable Energy Certificate (“SREC”) eligibility. Applicants must choose and identify one Energy Year, EY14, EY15 or EY16 for which they seek the approval for a Facility. Facilities must be less than 10 MWdc to be eligible for approval, and only one Facility may be proposed per PJM interconnection location. **Before completing the attached Subsection q. application, please carefully read all of the information in I., II., and III. below.***

### I. Minimum Qualification Requirements

1. Only those applications which meet all the statutory requirements under N.J.S.A. 48:3-87(q) will be considered for subsequent designation as “connected to the distribution system” for purposes of SREC eligibility pursuant to N.J.S.A. 48:3-87 (q). An applicant must choose and identify below one and only one Energy Year, EY14, EY15 or EY16, for which it seeks approval, and affirm by certification in Section G. below that the applicant has submitted only one application for the Facility identified in the application. A Facility must enter commercial operation within two (2) years of the EY start date for which designation is requested or the Facility will not be eligible to earn SRECs and the escrow described at I. 4 will be forfeited.

The Board will approve only complete, unique applications up to 10 MW dc in size until a maximum of 80 MW dc of cumulative capacity is reached for a particular Energy Year. Only one application per distinct facility will be considered, and applicants submitting multiple applications per distinct facility or more than one application per PJM queue position will have all of their applications denied.

2. The applicant must demonstrate that the Facility for which an application is submitted will be less than 10 MWdc in nameplate capacity upon completion, and affirmatively acknowledge, by certification in Section G. below, that should the final as-built capacity after construction be greater than 10 MWdc, the facility will not be designated as “connected to the distribution system” or approved to generate SRECs that can be used to satisfy New Jersey’s Renewable Portfolio Standards.
3. The applicant must demonstrate that it will be the only Facility that will be interconnected at the location specified in the “PJM System Impact Study.” The applicant must attach to this application, as Attachment 1, a copy of the entire PJM System Impact Study including the cover letter issued by PJM containing day, month and year of issuance, as well as the study’s cover sheet which contains the month and year of issuance. Should the proposed system size in the PJM System Impact Study exceed 10 MWdc, the applicant must submit a signed affidavit that acknowledges the 10 MWdc limit for eligibility under subsection q. and pledge that the applicant will take all actions necessary to ensure that the final as-built system will be less than the 10 MWdc limit.
4. The applicant must enter into the affixed Escrow Agreement with an Accredited Financial Institution in the amount of \$40,000 per MWdc. The applicant must submit a copy of the executed Escrow Agreement as Attachment 2.



## *Solar Act Subsection q. Application Form*

### **II. Instructions for Completing the Subsection q. Application Form**

1. Complete each section A. through F. of this application form, and affix the attachments required under I. Minimum Filing Requirements, as described above, and in the questions contained in section F. below.
2. The complete subsection q. application package must be submitted to the Board at the address specified below within five calendar days of filing an electronic Notice of Intent form or by May 31, 2013 whichever is earlier.
3. Original signatures on all forms and within the certification in section G. are required.

### **III. Important Terms and Conditions**

1. The “applicant” is defined to be the entity that submits the subsection q. application form (i.e. applicant could be a project developer, contractor, installer, land speculator, or agent of any thereof.)
2. The applicant, by signing the application and certification, acknowledges on behalf of all project participants, that approval pursuant to subsection q. is a condition of SREC eligibility but does not obviate the need to comply with the SREC Registration Program requirements, and the need to meet all relevant local, state or federal laws. In making its decision on an application, the Board may attach specific conditions, including setting the effective date of the project’s qualification life.
3. The NJBPU reserves the right to modify the application information requirements or require the applicant to supplement the information in this application process.
4. By submitting an application, the applicant acknowledges on behalf of all project participants that the Information included in the application may be subject to disclosure under the Open Public Records Act. Aggregated information will be used by the Board and/or other state, federal, county, regional or local agencies in reports and evaluations, and the geographic location may be used to update GIS mapping. Application decisions will be made by the Board and communicated via Board Order which will be posted on the Board’s website at [www.nj.gov/bpu](http://www.nj.gov/bpu).

**Any modifications to the requirements to satisfy the subsection q. application will be further communicated via the Board website at [www.nj.gov/bpu](http://www.nj.gov/bpu) and NJCEP website at [www.njcep.com](http://www.njcep.com).**

Any projects approved under the subsection q. application process must also comply with all appropriate provisions of the Renewable Portfolio Standards rules, including the SREC Registration Program (“SRP”), and must comply with all applicable local, state, and federal laws, permit requirements and regulations.

**Mail or hand deliver five (5) complete application packages to:  
(Faxes and e-mails will not be accepted.)**



# Solar Act Subsection q. Application Form

Solar Act Subsection q. Application Package  
**New Jersey Board of Public Utilities**  
44 South Clinton Avenue, 7th Floor  
Post Office Box 350  
Trenton, New Jersey 08625-0350  
Attn: Division of Economic Development

## A: Applicant Contact Information

Applicant Company Name (if applicable): \_\_\_\_\_  
Mr. \_ Ms. \_ Dr. \_ First Name: \_\_\_\_\_ Last Name: \_\_\_\_\_  
Daytime Phone: \_\_\_\_\_ Email: \_\_\_\_\_  
Applicant Mailing Address: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_

## B: Applicant Role (Indicate with checkmark the nature of the applicant, check all that apply)

Applicant is:  Project Developer  Proposed Facility Owner  Contractor/Solar Installer  
 Agent (if Agent, what role is represented) \_\_\_\_\_  
 Other (if Other, describe applicant's role in project development) \_\_\_\_\_

## C: Proposed Facility Owner (Who will own the Proposed Facility?)

*Fill out if known. Duplicate data in A. above, if applicable*

Company Name (if applicable): \_\_\_\_\_ Contact Person: \_\_\_\_\_  
Mailing Address: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_  
Daytime Phone: \_\_\_\_\_ Email: \_\_\_\_\_

## D: Contractor / Solar Installer (Who will construct the Proposed Facility?)

*Fill out if known. Duplicate data in A. above, if applicable*

Company Name: \_\_\_\_\_ Contact Person: \_\_\_\_\_  
Federal Tax I.D. Number: \_\_\_\_\_  
Daytime Phone: \_\_\_\_\_ Email: \_\_\_\_\_  
Address: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_

## E: Proposed Solar Facility Physical Characteristics; Size, Location, Point of Interconnection

1. Complete the following description of the proposed solar electric generating facility:

Proposed Solar Facility Size: \_\_\_\_\_ MW dc  
Proposed Module Make and Model: \_\_\_\_\_  
Proposed Module Size: \_\_\_\_\_ Watts dc Proposed Module Quantity: \_\_\_\_\_  
Proposed Solar Facility Location or Address: \_\_\_\_\_



# Solar Act Subsection q. Application Form

Proposed Solar Facility Block and Lot Number(s): \_\_\_\_\_ : \_\_\_\_\_  
 Proposed Solar Facility Township: \_\_\_\_\_  
 Proposed Solar Facility Zip Code: \_\_\_\_\_  
 Electric Distribution Company accommodating facility interconnection: \_\_\_\_\_

2. Has the PJM Construction Service Agreement (CSA) and Interconnection Service Agreement (ISA) been executed, and have interconnection facility costs been funded? circle one: Yes or no
3. If yes, provide the executed pages of each document (CSA and ISA) with the construction schedule and scope of work as well as documentation of interconnection facility costs expended in compliance with the PJM requirements evidenced via either the demonstration of posting of security in the case of a three-party ISA or the demonstration of initial payment or security for interconnection costs to the EDC in the case of a two-party Wholesale Power Market Participation Agreement submitted as Attachment 3.
4. If the answer to E 2. above is yes, then state the system size of the facility proposed in the CSA or ISA:  
 \_\_\_\_\_ MWdc
5. If the system size identified in E4. above is greater than 10 MW dc, describe in an document submitted as Attachment 3. how the developer will bring the proposed facility capacity into compliance with the 10 MWdc capacity limitation.
6. Is the system currently operational, circle one Yes or No

**F: Proposed Solar Facility Operational and Administrative Characteristics; Energy Year for Designation, Projected Construction Schedule, Escrow Notice**

1. Choose one Energy Year for which the applicant seeks designation of the distinct solar electric generating facility described in E1:  
 EY14: \_\_\_\_ with date of designation within EY14 upon approval by the Board,  
 EY15: \_\_\_\_ with date of designation being June 1, 2014,  
 Or,  
 EY16: \_\_\_\_ with date of designation being June 1, 2015.
2. What is the current status of project development?  
 Circle each that applies to the project: Designed, Site Cleared, Majority of Materials Onsite, Construction Initiated, Construction Completed, Interconnection Completed, Authorized to Energize.
3. Have all final unappealable federal, state, regional and local approvals been secured? Yes or no: \_\_\_\_\_
4. Has equipment been purchased? Yes or no: \_\_\_\_\_
5. Has construction begun? Yes or no: \_\_\_\_\_
6. If yes, when was construction initiated: (month, day, year) \_\_ / \_\_ / \_\_
7. If no, when will construction be initiated: (month, day, year) \_\_ / \_\_ / \_\_



# Solar Act Subsection q. Application Form

- 8. Are materials currently onsite? Yes or no: \_\_\_\_\_
- 9. If yes, when were materials delivered onsite: (month, day, year) \_\_/\_\_/\_\_
- 10. If no, when are materials to be delivered onsite: (month, day, year) \_\_/\_\_/\_\_
- 11. Is any part of the project currently installed? Yes or no: \_\_\_\_\_
- 12. If yes, what materials are installed \_\_\_\_\_
- 13. Attach pictures of completed construction as Attachment 4.
- 14. Date of execution of Escrow Agreement submitted in Attachment 2 (month, day, year) \_\_/\_\_/\_\_
- 15. State the amount of escrow deposited subject to Escrow Agreement submitted in Attachment 2.
- 16. Identify Depositor Who Executed as Counterparty in Escrow Agreement contained in Attachment 2.  
\_\_\_\_\_
- 17. Identify Accredited Financial Institution Who Executed as Counterparty in Escrow Agreement contained in Attachment 2. \_\_\_\_\_

## G: Certifications

The undersigned warrants, certifies, and represents that:

- 1) the information provided in this application package has been personally examined, is true, accurate, complete and correct to the best of the undersigned's knowledge, based on personal knowledge or on inquiry of individuals with such knowledge; and
- 2) the system proposed in the application will be constructed, installed and operated as described in the application and in accordance with N.J.S.A. 48:3-87 (q) and all applicable Board rules, including but not limited to the SREC Registration Program and applicable laws, and
- 3) all signing parties realize that certain information in this application may be subject to disclosure under the Open Public Records Act; and
- 4) all parties including the
- 5) all signing parties acknowledge that **submission of false information may be grounds for denial of this application, and if any of the foregoing statements are willfully false, they are subject to punishment to the full extent of the law, including the possibility of fine and imprisonment.**

### Applicant

Signature: \_\_\_\_\_  
 Print Name: \_\_\_\_\_  
 Date: \_\_\_\_\_

### Project Developer

(if known)  
 Signature: \_\_\_\_\_  
 Print Name: \_\_\_\_\_  
 Date: \_\_\_\_\_

### Proposed Facility Owner

(if known)  
 Signature: \_\_\_\_\_  
 Print Name: \_\_\_\_\_  
 Date: \_\_\_\_\_

Signed and sworn to before me on this \_\_\_\_ day of \_\_\_\_\_, 20\_\_

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name



**State of New Jersey**  
**BOARD OF PUBLIC UTILITIES**  
**ESCROW AGREEMENT**  
 N.J.S.A. 48:3-87q

\_\_\_\_\_  
 Name of Financial Institution

\_\_\_\_\_  
 Name of Proposed Solar Electric Power Generation Facility Owner

\_\_\_\_\_  
 Address

\_\_\_\_\_  
 Address of Proposed Solar Electric Power Generation Facility

\_\_\_\_\_  
 Telephone Number

\_\_\_\_\_  
 SRP Facility Registration Number

\_\_\_\_\_  
 Escrow Account Number

\_\_\_\_\_  
 Address of Proposed Solar Electric Power Generation Facility Owner

\_\_\_\_\_  
 Telephone Number

Pursuant to Subsection q of Section 2 of L. 2012, c.24, the Solar Act of 2012 (“Act”), codified at N.J.S.A. 48:3-87, this Escrow Agreement is made on this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_, between  
 Owner/Operator Name \_\_\_\_\_  
 (hereinafter called “Depositor” ),  
 and  
 Accredited Financial Institution Name \_\_\_\_\_  
 (hereinafter called “Escrow Agent” )

(1) **Escrow Account/Purpose**

The Depositor agrees to deposit, with the Escrow Agent, the funds described in N.J.S.A. 3-87q for the proposed solar electric power generation facility (Solar Facility) described above; and the Escrow Agent agrees to hold said funds in escrow in an interest bearing account pursuant to the Act, and the terms and conditions of this Agreement. The sole purpose of the escrow account shall be to insure that funds are set aside and kept available in the event that the Solar Facility is designated by the BPU as connected to the distribution system pursuant to N.J.S.A. 48:3-87 q, and fails to commence commercial operations within two (2) years of the date of designation.

(2) **Approval of the Escrow Agreement**

This Agreement shall be of no force and effect unless approved in writing by the BPU which approval may be withdrawn at any time by BPU within its sole discretion. This Agreement may only be amended by a written agreement approved in writing by BPU which may, from time to time, require such amendment in its discretion, or as otherwise set forth herein.

(3) **Separation of Funds**

The Depositor and the Escrow Agent agree that the escrow account shall be a separate account apart from all other accounts. The escrow account shall be the sole escrow fund maintained by the Depositor pursuant to the Act for the Solar Facility designated above. In cases where a Depositor has ownership or control over more than Solar Facility in the State of New Jersey, a separate escrow account shall be established for each facility.



(4) **Escrow Deposit**

The Depositor agrees to make the deposit into the escrow account of all monies required by N.J.S.A. 48:3-87 q to be deposited in connection with the above designated Solar Facility. The Depositor agrees to make no deposits into the escrow account except such funds as are so required. The Escrow Agent shall not be responsible for determining the amount to be deposited into the escrow account.

(5) **Investment of Escrow Account Funds**

In all cases, the escrow account shall be invested and maintained so as to maximize yield and minimize risk (subject to the approval of BPU). In the event this Agreement contains Investment Guidelines attached hereto, the escrow account shall also be invested and maintained in a manner fully consistent with such Guidelines. These Investment Guidelines may from time to time be revised or modified by BPU, in its discretion, as circumstances as prevailing financial market and economic conditions may change. Any such revisions or modifications by BPU to the Investment Guidelines shall be immediately incorporated into the terms of this Agreement upon receipt by the parties hereto, and thereafter the investment and maintenance of the escrow account shall be fully consistent with such revised or modified Investment Guidelines. Liquidity shall be maintained as directed by the BPU. ("Liquidity" shall mean the availability of funds for drawdown consistent with the BPU's strategy for commencement of commercial operation for the Solar Facility.)

(6) **Interest and Other Income**

The Depositor and the Escrow Agent agree that all interest and other income earned as a result of investment of funds in the escrow account shall be deposited as earned into the escrow account, to be applied toward any BPU-approved fees charged by the Escrow Agent for administering the account. Such interest and other income shall be subject to the same restrictions applicable to the principal of the escrow account as set forth in the Act, and this Agreement.

(7) **Direction of investments**

The Depositor shall have no right to direct the investment of the escrow account funds. Investments shall be directed by the Escrow Agent, subject to the provisions of the Act, and the determination of BPU, as set forth in this Agreement.

(8) **Account as Non-Asset**

All funds deposited in the escrow account shall not be considered an asset of the Depositor and shall not be available to any creditor of the Depositor in the event of the bankruptcy, reorganization, insolvency or receivership of the Solar Facility or the Depositor, or for any other reason. Depositor and the Escrow Agent agree that funds deposited in the escrow account are for the sole benefit of the purposes established by this Agreement and N.J.S.A. 48:3-87 q, and may be withdrawn only pursuant to the express provisions of this Agreement and N.J.S.A. 48:3-87 q. Funds will only be available for use by the owner/operator, or by a court-appointed receiver or other legal representative of the owner/operator upon written approval of the BPU.

(9) **Quarterly Statement-Financial Institution**

The Escrow Agent hereby agrees to submit quarterly statements of the escrow account to the BPU. The statements shall report on all transactions charged and credited to the escrow account, and shall include an itemization of all accrued interest and all opening and closing balances of principal and income.

(10) **Withdrawal or Disbursement of Funds**

The Depositor and the Escrow Agent agree that withdrawals from the escrow account will not be made or permitted 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.

(11) **Compensation of Escrow Agent**

Notwithstanding the terms of paragraph 10 of this Agreement, the Escrow Agent shall be entitled to take reasonable compensation for its services in administering the escrow account to be established under this Agreement. Such compensation may be deducted by the Escrow Agent directly from the escrow account from time to time, but in no event more frequently than once a month, unless more frequent deductions are approved in writing by BPU. All such deductions shall be fully documented and shown as a debit to the escrow account by the Escrow Agent under the quarterly statements to be submitted to BPU, pursuant to paragraph 9 of this Agreement. In all cases, the amount or rate of such compensation shall be reasonable, shall not exceed the amount or rate of compensation customarily charged by the Escrow Agent for like services, and shall be subject to the written approval of BPU. For purposes of this Agreement, and unless and until written approval to modify such compensation is given by BPU, the amount or rate of compensation to be charged by the Escrow Agent hereunder shall be as follows (detailed):

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(12) **Liability of the Escrow Agent**

The Depositor agrees to indemnify and hold the Escrow Agent harmless from and against all liabilities, fees, costs and expenses incurred by the Escrow Agent, with respect to the performance of its duties hereunder, unless said liabilities, fees, costs or expenses shall arise from the Escrow Agent's failure to perform its duties hereunder with reasonable cost and care.

(13) **Termination**

This Agreement may be terminated by either party on 90 days' written notice to BPU and to the other party to this Agreement, which notice shall state the reasons for such termination, and the provisions of this Agreement shall remain in full force and effect until the expiration of said 90 days' notice. In the case of termination by the Depositor, such termination shall be ineffective in the absence of prior written consent by BPU, on such terms as BPU, in its discretion, may require. In the event of termination, the Depositor shall submit a new escrow agreement to BPU, for review and approval as set forth in paragraph 2, within 60 days from the notice of termination. Upon such approval, BPU will give the Escrow Agent hereunder written approval to transfer the funds in the escrow account, with accumulated interest and other income from investment of the funds in the escrow account, to the new Escrow Agent under the new escrow agreement, and the Escrow Agent shall immediately transfer all such funds to the new Escrow Agent upon receipt of such written approval. No such transfer shall be made without such written approval by BPU. Such transfer of funds must be through an inter-financial institution transaction and shall not be transferred through the Depositor. Nothing herein shall limit the right of BPU to withdraw its approval of this Agreement at any time, in its discretion, as set forth in paragraph 2 herein.

(14) **Notice and Instructions**

All notices and instructions related to this Agreement shall be in writing and, except for bank statements to BPU under paragraph 9, shall be made by certified or registered mail, return receipt requested. All notices and instructions sent to the parties hereto shall be sent to the addresses of the parties set forth at the beginning of this Agreement. For purposes of this Agreement, and until notification of a change of address is supplied by BPU to the parties hereunder, all notices to **the NEW JERSEY BOARD OF PUBLIC UTILITIES** shall be addressed to,

**B. Scott Hunter**  
**Renewable Energy,**  
**Division of Economic Development and Energy Policy**  
**44 South Clinton Ave.**  
**P.O. Box 350, 7<sup>th</sup> Floor**  
**Trenton, NJ 08625-0350**

In Witness Whereof, the parties to this Escrow Agreement have executed same on this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

(Owner/Operator Name)

By \_\_\_\_\_  
Signature

\_\_\_\_\_  
Print or Type Name

\_\_\_\_\_  
Title

ATTEST:

By \_\_\_\_\_  
Signature

\_\_\_\_\_  
Print or Type Name

(Accredited Financial Institution Name)

By \_\_\_\_\_  
Signature

\_\_\_\_\_  
Print or Type Name

\_\_\_\_\_  
Title

\*\*\*\*\*

**APPROVED BY THE NEW JERSEY BOARD OF PUBLIC UTILITIES**

By \_\_\_\_\_  
B. Scott Hunter  
Renewable Energy, Division of Economic  
Development and Energy Policy, NJBPU

\_\_\_\_\_  
Date

**SUBSECTION Q ESCROW ACCOUNTS  
INVESTMENT GUIDELINES TO BE FOLLOWED BY ACCREDITED FINANCIAL INSTITUTION\***

**PORTFOLIO OBJECTIVES**

*Maximize Return, Minimize Risk*

**GUIDELINES**

*The Escrow Agent shall use all reasonable efforts to invest in funds at the highest available rates of interest, consistent with the timing of the escrow fund withdrawal requirements, in the following:*

- A. Obligations issued or guaranteed by an instrumentality or agency of the United States of America, whether now existing or hereafter organized;*
  - B. Obligations issued or guaranteed by any State of the United States or the District of Columbia.*
  - C. Repurchase agreements (including repurchase agreements of the Escrow Agent) fully secured by obligations of the kind specified in (A) or (B) above, as well as in money market funds and in common funds of the Escrow Agent invested in obligations specified in (A) and (B) above;*
- and*
- D. Interest bearing deposits in any bank or trust company (which may include the escrow agent) which has combined capital surplus and retained earnings of at least \$50,000,000. Any interest payable on said funds shall become part of the escrow account balance.*
  - E. Maximum maturity of individual securities limited to 3 years.*
  - F. The average maturity should be between 1 and 2 years.*
  - G. For all county, municipal, and local governments, please refer to N.J.S.A. 40A:5-15.1, which provides specific guidance for the allowable investment of public funds.*

\*Accredited financial institution" means any commercial bank, savings bank or savings and loan association with its principal office located in the State of New Jersey, and insured by the Savings Association Insurance Fund (SAIF) or the Federal Deposit Insurance Corporation (FDIC); or a limited purpose trust company that meets the requirements set forth in N.J.S.A. 17:9A-28 and 17:9A-31 with its principal office located in the State of New Jersey maintaining assets in excess of \$ 50,000,000.