

Time Line for Energy Year (EY) 2021 RPS Compliance Reporting

EY 2021: June 1, 2020 through May 31, 2021

EY 2021 TRECs, SRECs, Class I, and Class II RPS Requirements

Energy Year 2021	TRECs	SRECs	Class I	Class II	Total
June 1, 2020 - May 31, 2021	based on retail sales**	5.10%	21.0%	2.50%	23.50%
June 1, 2020 - May 31, 2021*	based on retail sales**	3.47%*	21.0%*	2.50%*	26.97%*

*BGS Providers with existing contracts

**The TREC Obligation expressed as a percentage of retail sales in a given energy year will not be known until the conclusion of each energy year when the volume of retail sales subject to the RPS has been determined. Allocation of the Statewide obligation to individual Third Party Supplier and BGS Providers (“TPS/BGS providers”) will follow the method described in the RPS rules at N.J.A.C. 14:8-2.3 (r) and (t) as set forth below.

Calculating the BGS Provider Bank of Avoided Solar Increase for EY 2021

The banked avoided Solar RPS increase for EY 2019 established a future requirement for **409,772 SRECs** (or SACPs).

The obligation to procure **409,772 SRECs** will be allocated among the BGS Providers’ non-exempt electricity supplied over the next two energy years (**204,886 in EY 2020 and EY2021**) based upon each BGS Provider’s share of the non-exempt market.

The banked avoided Solar increase for EY 2020 established a future requirement for **363,732 SRECs**.

The **363,732 SRECs** will be allocated among the BGS providers’ non-exempt electricity supplied over the next two energy years (**181,866 in EY2021 and EY 2022**) based upon a BGS Provider’s share of the non-exempt market.

Therefore, the Total BGS Provider EY 2021 deferred Solar increase totals:

$$204,886 \text{ plus } 181,866 = 386,752 \text{ SRECs}$$

Allocating the TREC Obligation for EY 2021

The TREC Administrator (<https://trecksnj.com/faqs/>) will purchase TRECs from eligible system owners with accounts on the PJM-EIS Generation Attribute Tracking System (“GATS”) on a monthly basis. The TREC Administrator will allocate the TRECs to TPS/BGS providers annually based on each entity’s market share of retail electricity sold during Energy Year 2021.

TRECs, like SRECs, are now a true carve-out of the NJ Class I RPS requirement with each TREC allocated to and retired on behalf of the TPS/BGS providers reducing the Class I requirement by one REC as set forth at N.J.A.C. 14:8-2.3(d) and (r).

Quoting N.J.A.C. 14:8-2.3 Amount of renewable energy required

(d) Beginning in EY20, SREC obligations and TREC obligations are a component of class I renewable energy requirements, and satisfaction of SREC and TREC obligations shall be counted toward class I renewable energy requirements.

(r) Each megawatt-hour (MWh) of retail electricity supplied in New Jersey by a TPS/BGS provider subject to this subchapter carries with it an accompanying TREC obligation. For any electricity supplied by a TPS/BGS provider, such supplier/provider shall calculate its TREC obligation based upon the total number of TRECs procured by the TREC Administrator within the applicable Energy Year and the market share of retail electricity sold by the supplier/provider within the Energy Year.

(t) During the true-up period following each Energy Year, Board staff shall calculate the market share of total Statewide retail electricity sold by each TPS/BGS provider. The TREC Administrator will allocate a proportionate percentage of the total TRECs procured during the Energy Year to each TPS/BGS Provider. Each TREC allocated by the TREC Administrator shall be retired by, or on behalf of, the TPS/BGS Provider.

Timeline

May 31, 2021 – EY 2021 ends

June 1, 2021 – EY 2021 true-up period and EY 2022 Compliance period begins

Mid-June 2021 – PJM load figures for EY2021 are available to TPS/BGS providers in GATS. As with last year, PJM “Settlement B” load adjustments are received and processed in GATS on a two-month delay from the release of the original load values. Therefore:

- Load for months that have been processed and include PJM meter adjustments are visible as “obligations” in the Retail LSE (TPS/BGS providers) Subaccounts Summary on your GATS account landing page.
- Load for months that have not yet been processed and do not yet include meter adjustments are visible by clicking on the Load quantity under the Unprocessed Activity (MWh) section of your GATS account landing page.
- By Mid-August 2021, all months for EY2021 will be processed into “obligations” reflecting the reconciled load figures from PJM.

June or July 2021 – Staff convenes the Compliance Reporting Coordination Meeting for EY 2021 with EDCs, TPS/BGS providers, and PJM-EIS GATS representatives.

August 2-10, 2021 – EDCs complete EY 2021 Retail Sales Spreadsheet and return to OCE.

August 17, 2021 – Staff emails the RPS Retail Sales adjustment Procedure Memo to EDC, TPS/BGS providers, and posts on the NJ Clean Energy Website.

August 17-Sept. 10, 2021 – EDC, BGS Providers, TPS complete and submit RPS Retail Sales adjustment requests to Staff.

September 30, 2021 – Staff posts the final retail sales number based on GATS numbers and RPS Retail Sales adjustment requests. Compliance instructions and preliminary Solar requirement calculation instructions are also emailed and posted.

Dec. 1, 2021 – EY 2021 true-up period for TRECs, SRECs, NJ Class I and Class II ends and all EY2021 RPS Compliance Reports are due.