

RE List Members:

During yesterday's discussion of Agenda Item III, Sarah from Rate Counsel requested background information providing context for the Market Manager's presentation titled; "2012 Program Design Discussion", the preliminary proposal allocating "new" funding and its accompanying request for comments. Comments are requested on the draft program and budget to rreisman@veic.org by August 19.

In response to Sarah's request, staff restated the timeline for preparing the 2012 NJCEP programs and budgets, aka the "NJCEP Compliance Filings", and pointed to the slide included in the presentation made earlier at the Energy Efficiency Committee meeting. The 2012 NJCEP program development exercise was officially kicked off at the June 7th EE and RE Committee meetings. A similar slide presentation was circulated to the RE Committee members with kickoff presentation. The 2012 NJCEP programs and budget development exercise follows the same process used to develop programs and budgets for at least the last eight years. The process starts in May or June each year with stakeholders discussing market development status and "new" funding availability. In July or August, we typically circulate the "7&5 Report" which shows program expenditures through the first seven months of the year and estimates spending for the remaining five months of the year toward estimating the amount of commitments and carryover funding available for the following year.

"New" funding is the term staff uses in reference to the funds identified in the relevant Comprehensive Resource Analysis (CRA) Board Order. The CRA is the legislatively defined process followed by the Board every four years to set the SBC and funding levels for the following four years. The current CRA Order governing the 2012 "new" funding available was issued by the Board on August 8, 2008: IN THE MATTER OF COMPREHENSIVE ENERGY EFFICIENCY AND RENEWABLE ENERGY RESOURCE ANALYSIS FOR THE 2009 -2012 CLEAN ENERGY PROGRAM Order Establishing 2009 -2012 Funding Level DOCKET NO. EQO7030203. You can find this Order on the websites of the BPU or NJCEP.

Please let me know if you have any further questions about how the Board establishes the programs and budgets for New Jersey's Clean Energy Program.

Scott Hunter
NJBPU



Renewable Energy Committee Meeting

July 12, 2011
CSG Office - Iselin, NJ
1:00 pm to 3:30 pm
Call-in number: 1-866-740-1260 -- Meeting ID: 2183408#

Agenda

- | | | |
|-------|--------------------------------------------------------------------------------------------------------------------------|-----------|
| I. | Regulatory Update (M. Winka) | 1:00-1:20 |
| II. | Update on status of rules re-adoption (S. Hunter) | 1:20-1:30 |
| III. | 2012 Program Planning (D. Hill, C. Garrison) | 1:30-2:00 |
| IV. | 2011 Program Update (C. Garrison) | 2:00-2:15 |
| V. | 2011 Operations Update (T. Gray) | 2:15-2:30 |
| VI. | Report on Biomass Potential (D. Specca) | 2:30-2:50 |
| VII. | Update on status of REIP Small Wind Program (S. Hunter) | 2:50-3:00 |
| VIII. | Update on Interconnection Issues (J. Teague and C. Garrison) | 3:00-3:10 |
| IX. | Upcoming events | 3:10-3:20 |
| | a) Energy Master Plan public hearings
<i>July 26 (Newark), August 3 (Trenton), August 11 (Pomona)</i> | |
| | b) Stakeholder meetings on rulemaking for OREC funding mechanism
<i>July 19, August 1, August 16 (all in Trenton)</i> | |
| | c) Net Metering and Interconnection Stakeholders Meeting
<i>July 22 (Trenton)</i> | |
| | d) RE Committee meeting schedule for next several months
<i>August 9, September 13, October 11 (all in Iselin)</i> | |
| X. | Other Topics / New Business | 3:20-3:30 |
| XI. | Adjournment | 3:30 |

Draft 2012 Funding Levels

CRA Ordered 2012 Funding Level

EE	\$325,000,000.00
RE	\$54,250,000.00
Total	\$379,250,000.00

Proposed 2012 Funding Level

2011 Funding Level

EE	\$261,250,000.00	\$193,350,000.00
RE	\$25,000,000.00	\$11,000,000.00
EDA	\$33,000,000.00	\$33,000,000.00
OCE Oversight	\$7,500,000.00	\$5,150,000.00
Legislative Appropriation	\$52,500,000.00	\$77,000,000.00
Total	\$379,250,000.00	\$319,500,000.00

EE	Proposed 2012	2011
Residential	\$75,000,000.00	\$63,350,000.00
C&I	\$154,250,000.00	\$76,000,000.00
Comfort Partners	\$32,000,000.00	\$24,000,000.00
Other (competitive solicitation)		\$30,000,000.00
Total EE	\$261,250,000.00	\$193,350,000.00

RE	Proposed 2012	2011
CPC	\$65,000.00	\$64,243.00
REIP	\$15,000,000.00	\$5,000,000.00
RE Grid	\$9,935,000.00	\$5,935,757.00
Total RE	\$25,000,000.00	\$11,000,000.00

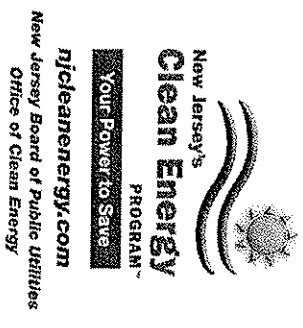


New Jersey's Clean Energy Program: 2012 Renewable Energy Plan

Charlie Garrison

DRAFT PLAN

REC Meeting June 7, 2011





Draft Timeline for Honeywell 2012 Filing

- RE Committee Introduction: June 7
- Program Suggestions To HW: June 23*
- High-level Budget Confirmed: Late June
- Plan Overview To RE Committee: July 12 (RE Mtg)
- Final Overview To RE Committee: August 9 (RE Mtg)
- Complete Draft Plan To OCE Staff: August 13
- Draft Plan Presented To NJCEP: September 9
- Submit Draft Plan To BPU: September 24

* Notice with submittal instructions for comments will be provided.



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Key Elements of the 2012 Plan

- Continue Processing Incentive Payments For Previously Approved Rebate Projects
- Continue Processing New Registrations For SREC Registration Program
- Continue Rebates For Wind And Biopower Projects
- NJ REMI
- Energy Master Plan Impacts



Key Elements of the 2012 Plan

- Maintain Quality Control Through Onsite Inspections
 - 20% for rebate projects and
 - 10% for non-rebate projects
- Implement Process Changes To Support Rule Changes Regarding EDC Notification, Registration Timelines, Metering Requirements, Extension Policy, etc.
- Provide Program Status Reports, Installed Capacity Reports and Market Pipeline Info



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2012 Programs

- REIP Wind And Biopower Rebates
 - Funding Allocation And Incentive Levels To Be Determined
 - Outreach Opportunities
- SREC Registration Program
 - Encouraging "high-value" solar applications through technical assistance and market outreach
 - Support BPU initiatives such as Community solar pilot by developing and demonstrating a business model template
- NJ REMI – NJCEP Program vs. Possible EDA Run Program



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Preliminary 2012 RE New Funding

<u>PROGRAM</u>	<u>(\$Million)</u>
Clean Power Choice	\$.065
REIP	\$15.000
RE Direct Grid Supply (non-solar)	\$ 9.935
Total	\$25.000

Discuss Allocation Of REIP Funds Between Wind and Biopower Rebates, NJ REMI and Program Admin





2012 Program Design Discussion

Charlie Garrison and David Hill
Renewable Energy Market Manager Team

Renewable Energy Committee Meeting
July 12, 2011



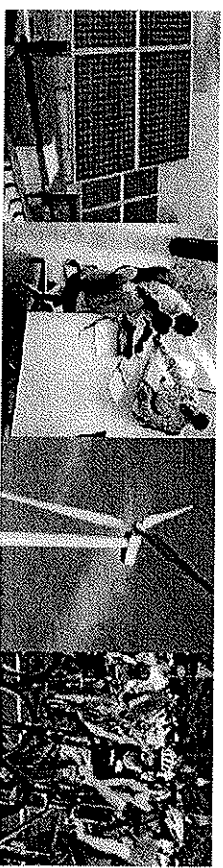


Objective

Solicit input and insights from renewable energy stakeholders into the need for program design changes for 2012.



Discussion Topics



Wind and Biopower

- How can the NJCEP do more to encourage development of biopower projects?
- What modifications are required to restart the small wind program?



Discussion Topics



Solar

– Metering Issues

- Educate the market on options and potential of Group Net Metering
- Community-based solar (e.g., Solar Co-ops, Solarize, etc.)
- Facilitate customer transition to new metering requirements for SREC reporting

– Other Solar Issues

- Should solar thermal systems be allowed to generate SRECS? If so, does this require legislation?
- Integration of RE with residential new construction and retrofits



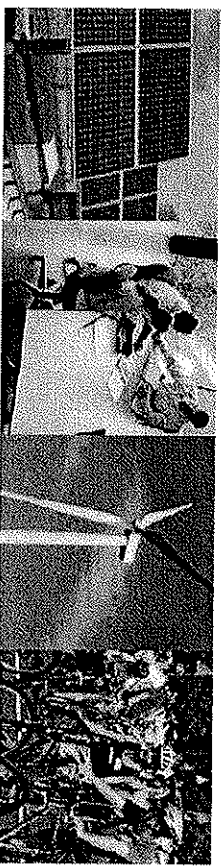
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Discussion Topics



Solar (continued)

- Training, Education and Outreach
 - Solar financing seminars and realtor training
 - Fire safety training, education and outreach to the firefighting community and solar industry
 - Increase focus on workforce development programs and job impacts.
- Miscellaneous
 - Support for electronic registration and processing
 - Support and contribute to evaluation and documentation of impacts





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Next Steps



- July 22: Deadline for written comments and suggestions
 - Please submit them to Ron Reisman at reisman@veic.org
- August 9th REC Meeting: Outline program elements
- September 13th REC Meeting: Budgeting and formalizing programs

