



Solar Act Rulemaking Update

Subsection r & Subsection t: Concepts toward Development of a Straw

Scott Hunter
November 13, 2014
Renewable Energy Meeting
Trenton, NJ



Solar Act Subsection r – Criteria for Board approval

r. (1) For all proposed solar electric power generation facility projects **except** for those solar electric power generation facility projects approved pursuant to **subsection q.** of this section, and for all projects proposed in each energy year **following energy year 2016**, a proposed solar electric power generation facility that is neither net metered nor an on-site generation facility, may be considered “connected to the distribution system” only upon designation as such by the board, after notice to the public and **opportunity for public comment or hearing.** A proposed solar power electric generation facility seeking board designation as “connected to the distribution system” **shall submit an application to the board** that includes for the proposed facility: the nameplate capacity; the estimated energy and number of SRECs to be produced and sold per year; the estimated annual rate impact on ratepayers; the estimated capacity of the generator as defined by PJM for sale in the PJM capacity market; the point of interconnection; the total project acreage and location; the current land use designation of the property; the type of solar technology to be used; **and such other information as the board shall require.**



Solar Act Subsection r – Criteria for Board approval

- a) No detrimental impact on SREC market
- b) No significant impact on open space preservation
- c) Beneficial impact on electric rates and economic development, and
- d) No impingement on the ability of an electric public utility to maintain service to each customer



Subsection r – No Detrimental Impact on SREC Market?

Relevant References

- a) Definition of “Solar Development Volatility” used in the Board’s report to the Legislature on proceeding investigating approaches to mitigate solar development volatility detailing findings and recommendations, per Solar Act d. 3. (b) – July 23, 2014
- b) Subsection q – grid supply projects in EY14, EY15, EY16 limited to 10 MW each, 80 MW per year, 240 MW total, 2 year construction requirement
- c) Board Orders on Subsection s dated May 10, 2013 & October 31, 2014



Subsection r – No Detrimental Impact on SREC Market?

- a) Solar Development Volatility = “significant and rapid changes in the rate of market capacity additions over time”...The average quarter-over-quarter change (either positive or negative) in market capacity additions in New Jersey between Q2 2009 and Q1 2014 was 39 percent (Report to Legislature, pg. 11. 7/23/14)
- c) “the Board **THEREBY FINDS** that the deferred Subsection s projects shall be evaluated using the following criteria: the impact of the SRECs forecasted to be created by a facility upon the SREC market and upon solar development in the State...1. Expected commissioning date with description of remaining milestones in construction process; 2. Documentation of current interconnection status and all federal, state, and local approvals as of the effective date of this Order; 3. Forecast of annual MWh of facility production based on facility capacity and commencement date; (Order, 10/31/14)



Subsection r – No Significant Impact on Open Space Preservation

“Accordingly, the Board **THEREBY FINDS** that the deferred Subsection s projects shall be evaluated using the following criteria: ...the impact upon the preservation of open space, with special attention to the State’s farmland preservation programs...

4. Demonstration of location and associated impacts including identification of farm parcel location within an Agricultural Development Area or Farmland Preservation Program ‘project area;’ proximity to the nearest preserved farmland; and concentration of solar capacity in megawatts within the nearest ADA;
5. The current zoning designation(s) for the proposed host site and the date of the most recent change in zoning designation;
6. Evidence of community support, including but not limited to current support by the local authority(ies) having jurisdiction over farmland preservation in the municipality(ies) containing the location of the proposed solar facility and any local historic preservation body;
7. Project decommissioning plans for the end of the useful life of the facility;...”
(Order, I/M/O Subsection s – Additional Application Criteria, pg. 18 &19 10/31/14.)



Solar Act Subsection t – A

Certification Program for Solar on Brownfields, Landfills and Historic Fill Areas

t. (1) No more than 180 days after the date of enactment of P.L.2012, c.24, the board shall, in consultation with the Department of Environmental Protection and the New Jersey Economic Development Authority, and, after notice and opportunity for public comment and public hearing, complete a proceeding to **establish a program to provide SRECs** to owners of solar electric power generation facility projects **certified by the board, in consultation with the Department of Environmental Protection, as being located on a brownfield, on an area of historic fill or on a properly closed sanitary landfill facility**, including those owned or operated by an electric public utility and approved pursuant to section 13 of P.L.2007, c.340 (C.48:3-98.1). Projects certified under this subsection shall be considered “connected to the distribution system”, shall not require such designation by the board, and shall not be subject to board review required pursuant to subsections q. and r. of this section.



Solar Act Subsection t – A

Certification Program for Solar on Brownfields, Landfills and Historic Fill Areas

- a) The Solar Act required the Board consult with EDA & DEP and complete a proceeding to establish a program within 180 days
- b) Proceeding kicked off October 2012, public hearing November 2012 with comment period
- c) Certification program approved by Board Order dated January 23, 2013

Staff goal: Codify a Subsection t certification program based on existing program with RPS rule amendment



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Next Steps:

1. Stakeholders submit initial comments to NJREINFO@njcleanenergy.com by December 4, 2014
2. Discussion of comments at the December 9 RE Stakeholder meeting
3. Staff straw for public comment released late December with comments due in late January 2015.
4. Rule proposal by June 2015



Solar Act Proposed Chapter 8 Rule Changes

RPS & ANM **Prescriptive (near term proposal) &** **Qualitative (longer term)**

Scott Hunter

May 13, 2014

Renewable Energy Meeting

Trenton, NJ



Proposed Chapter 8 Rule Changes: Prescriptive & Near Term

Prescriptive Changes to Subchapter 2 - RPS Rules

- Definitions; “brownfield”, “Class I RE” & “Class II RE”, “connected to distribution”, etc.
- Revised RPS solar schedule (%)
- Prevailing Wage



Proposed Chapter 8 Rule Changes: Prescriptive & Near Term

Subchapter 2 - RPS Rules

(SREC registration program @ N.J.A.C 14:8-2.4)

- Change the submittal time for SRP registrations for NM, ANM & onsite gen. from 10 days to 14 calendar days from contract execution date.
- Changes to accommodate grid supply projects that require Board approval:
 - Require SRP within 14 days of Board approval.
 - Extend construction period to two years with the availability of one six month extension, if needed.



Proposed Chapter 8 Rule Changes Prescriptive & Near Term

Subchapter 2 - RPS Rules (N.J.A.C 14:8-2.4) continued

- Other changes required beyond housekeeping?

Subchapter 7 - ANM (Aggregated Net Metering N.J.A.C.14:8-7)

- Re-adoption of Aggregated Net Metering rules
(specially adopted per Solar Act within 270 days, on March 20, 2013)



Proposed Chapter 8 Rule Changes

Qualitative & Longer Term

Subchapter tbd - RPS Rules (N.J.A.C 14:8)

- **Solar Act Subsection r – criteria for Board approval**
 - a) SREC forecasts
 - b) Impacts on open space preservation
 - c) Impact on electric rates and economic development
 - d) Impingement on the ability of an electric public utility's service to customers

- **Solar Act Subsection t**
 - a) Required by Solar Act within 180 days, approved by Board Order dated January 23, 2013.
 - b) Codify in rules the Board approved certification program