

ENERGY YEAR 2013 RPS REPORTING INSTRUCTIONS

The Renewable Portfolio Standards at N.J.A.C. 14:8-1.1 apply to BGS suppliers/providers and electric power suppliers (aka Third Party Suppliers or TPS). BGS suppliers must submit to each EDC for which they serve load the compliance documentation specific to the load served in that territory. The data reported to the EDC must be specific and relevant to the load served and the compliance sought by the BGS supplier for that particular EDC market. Each EDC must compile and summarize the reports provided by the BGS suppliers serving load in their market and submit this information under one cover to the Office of Clean Energy (OCE). Third Party Suppliers report directly to the OCE for their entire load regardless of where in New Jersey it was served. The RPS compliance reports are due by October 1, 2013 (Class I and Class II).

Note: At the August 21, 2013 Agenda Meeting, the Board approved Docket No. EO13070671V – I/M/O of the NJ RPS- Request for Board Action Extending NJ RPS Compliance Deadline for Energy Year 2013. This request was made by the EDCs for the BGS providers and RESA for the Third Party Suppliers. The Board approved staff's recommendation to extend the solar portion of the NJ RPS EY13 compliance period with SREC retirements or SACP payments and final reports due to the Board staff by December 1, 2013 for both the BGS providers and the Third Party Suppliers. However the Class I and Class II RPS compliance reports are still due October 1, 2013. The Board Order was circulated via the NJCEP website and GATS distribution channels.

Each BGS supplier must provide the following to each EDC for which they serve load. Third Party Suppliers report the same information directly to the OCE. Please note that any claims of confidentiality **must** be submitted in compliance with N.J.A.C. 14:1-12 – Procedures for Determining the Confidentiality of Submitted Information.

Current rules may be viewed at:

<http://www.lexisnexis.com/njoal>.

To see currently effective rules, log in and click on “search New Jersey Administrative Code”. The online New Jersey Administrative Code is updated quarterly.

Solar Requirements for Energy Years 2013

On March 30, 2011, the Special Adoption to the Renewable Portfolio Standard rules took effect. These adopted amendments codify new statutory requirements enacted through the Solar Energy Advancement and Fair Competition Act (SEAFCA), P.L. 2009, c. 289.

The Chapter 8 readopted regulations with amendments were approved by the Board on May 23, 2012 and were published in New Jersey Register On June 4, 2012. The readopted portions of the regulations were effective on May 1, 2012 and the amendments, new rules, repealed rules and recodification became effective on June 4, 2012 with their publication in the New Jersey Register.

SEAFCA requires a schedule of gradually increasing solar energy requirements, which are higher than previous solar requirements. This new schedule is found in this adoption in Table B in N.J.A.C. 14:8-2.3. SEAFCA also changes the method by which each supplier/provider's solar obligation is calculated. Historically, a supplier/provider's solar energy obligation was a percentage of the amount of retail electricity the supplier/provider supplied (that is, a percentage of the supplier/provider's entire electricity portfolio). Under the method set by the SEAFCA, the Statewide solar energy target is divided among supplier/providers based on the market share of each supplier/provider. This new volumetric method applies only to solar requirements. The method for calculating class I and class II renewable energy requirements remains unchanged by SEAFCA, and continues to be a simple percentage of electricity supplied.

To reflect the new volumetric method of calculating solar obligations, the existing terminology referring to the "percentage" of renewable energy is changed throughout the rule sections amended herein, so that the rule refers more broadly to the "amount" of renewable energy required. Since each supplier/provider's SREC obligation will be calculated using a different method from that used to determine the supplier/provider's class I and class II requirements, the solar requirements are removed from Table A in N.J.A.C. 14:8-2.3, and relocated to N.J.A.C. 14:8-2.3(o).

(o) For electricity supplied during EY 2013 or later, a supplier/provider shall calculate its solar obligation as follows:

1. Determine the supplier/provider's market share of all electricity supplied Statewide during the applicable energy year, as follows:
 - i. Consult the Board's NJCEP website to determine the number of MWhs of electricity supplied Statewide during the energy year by all supplier/providers subject to this subchapter;
 - ii. Determine the number of MWhs of electricity the supplier/provider supplied during the energy year; and
 - iii. Divide (o)1ii above by (o)1i above to obtain a fraction representing the supplier/provider's market share; and
2. Multiply the supplier/provider's market share from (o)1 above by the applicable Statewide solar obligation from Table B below. The result is the supplier/provider's solar obligation for the electricity that it supplied during the energy year.

Table B
Total Statewide Solar Obligation
Starting June 1, 2010

Energy Year	Statewide Solar Obligation In GWhs
EY 2013: June 1, 2012 - May 31, 2013	596

Demonstrating and Reporting Compliance

1. Printout from GATS (**just the “My RPS Compliance Report” summary page**) demonstrating compliance with Solar, Class I and Class II RPS requirements based on guidance from PJM EIS. Please ensure with committed supply numbers that you are the owner of these RECs and they have been retired. (There is a report from PJM GATS that will eliminate the need to go to multiple reports to get this information; See below.)
2. Board approved affidavits from each supplier affirming the SRECs were retired and not used anywhere else (see attached, EY 2013 RPS Compliance Instructions.PDF Form)
3. Board approved affidavits, titled Class I and Class II Certification Forms for biomass and resource recovery facilities respectively, certifying that the facilities that generated the RECs continue to operate in compliance with their permits (see attached, EY 2013 RPS Compliance Instructions.PDF Form). The Class I and Class II Certification Forms, for biomass and resource recovery facilities respectively, are still required since they contain affirmative attestation from representatives of the generating facility that the facility generating the electricity was operated in conformity with the NJDEP requirements which has not been verified with GATS.
4. Documentation confirming Alternative Compliance Payment (ACP) and/or Solar Alternative Compliance Payments (SACP) payment, if needed, in the form of copies of checks for each ACP and/or SACP payment. ACP and SACP payments are to be made separately according to the attached instructions. A supplier’s report should document the need to pay ACPs or SACP and include a copy of each check or checks made payable to **“Treasurer, State of New Jersey”**. A template has been developed titled “RPS Report.xls” which satisfies the ACP/SACP obligation calculation and reporting requirement. The ACP and SACP payments must be mailed directly to NJBPU Office of Clean Energy as described in the attached procedure. (See attached, 2013 EY ACP SACP Payment Instructions.PDF)

Suppliers/providers also have the option of sending the ACP or SCAP payment electronically directly to the Treasury Department. Please contact Ronald Jackson for wiring instructions.

SREC and REC Eligibility For EY 2013

14:8-2.8 USING RECS AND SRECS FOR RPS COMPLIANCE (EXISTING RULE)

“(a) A REC or SREC shall be used to meet New Jersey RPS requirements for specific energy years, based on the type of renewable energy upon which the REC or SREC is based, and the energy year during which the renewable energy was generated, as follows:

1. A class I REC or SREC based on energy generated on or after July 1, 2010 shall be used to comply with RPS requirements for any one of the following three energy years:

- i. The energy year in which the underlying energy was generated; or
- ii. Either of the two energy years immediately following the energy year in which the underlying energy was generated;

2. A class II REC shall be used only to comply with the RPS requirements for the energy year during which the underlying energy was generated;

3. An SREC based on energy generated before July 1, 2010 shall be used only to comply with the requirements of this subchapter for the energy year during which the underlying energy was generated, and/or the subsequent energy year;

and

4. A class I REC based on energy generated before July 1, 2010 shall be used only to comply with the requirements of this subchapter for the energy year during which the underlying energy was generated.

(b) Once a REC or SREC has been used for compliance with this subchapter, the REC or SREC shall be permanently retired and shall not be used again.”

Therefore Class I RECs and SRECs based on electricity generated after July 1, 2010 thru the end of EY 2011 (May 31, 2011) can be used for RPS compliance in EY 2011, EY 2012 or EY 2013.

In addition, Class I RECs and SRECs based on electricity generated on or after June 1, 2011 thru May 31, 2012 (EY 2012) can be used for RPS compliance in EY 2012, EY 2013 or EY 2014

THE 2012 SOLAR ACT (CLASS I & II, RECS, ORECS & SRECS)

Definitions:

"Class I renewable energy" means electric energy produced from solar technologies, photovoltaic technologies, wind energy, fuel cells, geothermal technologies, wave or tidal action, small scale hydropower facilities with a capacity of three megawatts or less and put into service after the effective date of P.L. , c. (C.) (Solar Act), and methane gas from landfills or a biomass facility, provided that the biomass is cultivated and harvested in a sustainable manner;

"Class II renewable energy" means electric energy produced at a hydropower facility with a capacity of greater than three megawatts or a resource recovery facility, provided that such facility is located where retail competition is permitted and provided further that the Commissioner of Environmental Protection has determined that such facility meets the highest environmental standards and minimizes any impacts to the environment and local communities;

USING RECS, ORECS AND SRECS FOR RPS COMPLIANCE BASED ON 2012 SOLAR ACT

“Class I RECs and ORECs shall be eligible for use in renewable energy portfolio standards compliance in the energy year in which they are generated, and for the following two energy years. SRECs shall be eligible for use in renewable energy portfolio standards compliance in the energy year in which they are generated, and for the following four energy years.”

Therefore SRECs based on electricity generated between June 1, 2012 and July 31, 2012 can be used for RPS compliance in EY 2013, EY 2014 or EY 2015.

SRECs based on electricity generated after July 31, 2012 can be used for RPS compliance in EY 2013, EY 2014, EY 2015, EY 2016 or EY 2017.

Class I RECs and ORECs based on electricity generated on or after July 31, 2012 can be used for RPS compliance in EY 2013, EY 2014 and EY 2015.

Thank you in advance for your cooperation in documenting your company's compliance with New Jersey's Renewable Portfolio Standard. Please direct questions or comments to ronald.jackson@bpu.state.nj.us.

GATS My RPS Compliance Report Information:

To All Company Account Managers:

For Energy Year 2013, New Jersey RPS Compliance Reports for Class I and Class II resources are due by October 1, 2013. The Solar RPS reports are due by December 1, 2013.

If you serve BGS Load then the EDC's will be reporting directly to the BPU for you. You must transfer over your load obligation as well as the number of certificates that are needed for you to comply. Please contact your EDC as to the timing of when they would like this completed by.

If you serve Third Party Load you will be reporting directly to the NJ BPU.

If you are using certificates from your CEPS account please remember that you CAN NOT transfer them to your Retail LSE Subaccount. They must be transferred to Reserve with the RPS reason being selected.

PJM EIS has implemented a report in GATS, "My RPS Compliance Report", to make reporting easier. You can find the "My RPS Compliance Report" listed in the Account Holder Report section. This report consists of three tabs. The first tab is a **Summary** tab of what the obligations are in your Retail LSE Subaccount for that reporting year. You will also see a breakdown of the total certificates that are in your Retail LSE Subaccounts and your Reserve Subaccount. The second and third tab is a detailed break down of the certificates that were placed into either the Retail LSE Subaccount or the Reserve Subaccount. When making certificate transfers to the EDCs, the GATS account holder (transferor) should select "Transfer to EDC for Reporting" and enter the price paid per certificate. The price paid is required by the NJ BPU.

This report eliminates the need to go to multiple reports within GATS to obtain the data that is needed.

For more information regarding New Jersey Reporting Requirements, please review the rules at the New Jersey Office of Administrative Law (OAL) and Lexis/Nexis website at this link:

<http://www.lexisnexis.com/njoal>

You will have to register with the site before you can view the rules at Title 14: Board of Public Utilities, Chapter 8; Renewable Energy and Energy Efficiency; Subchapter 2: Renewable Portfolio Standards.

For questions directly pertaining to the New Jersey requirements please contact Ron Jackson at the NJ BPU. ronald.jackson@bpu.state.nj.us

Please feel free to contact PJM-EIS if you have any questions:

PJM-EIS GATS

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