

**CHAPTER 8**

**RENEWABLE ENERGY AND ENERGY EFFICIENCY**

**Authority**

N.J.S.A. 48:2-13, 48:3-48 et seq., 48:3-49 et seq.,  
48:3-78 et seq. and 48:3-99 to 106.

**Source and Effective Date**

R.2006 d.178, effective May 15, 2006.  
See: 37 N.J.R. 3911(a), 38 N.J.R. 2176(a).

**Chapter Expiration Date**

In accordance with N.J.S.A. 52:14B-5.1c, Subchapter 1, Renewable Energy General Provisions and Definitions, Subchapter 2, Renewable Portfolio Standards, Subchapter 4, Net Metering for Class I Renewable Energy Systems, Subchapter 5, Interconnection of Class I Renewable Energy Systems, and Subchapter 8, Standard Offer Contracts, expire on October 15 2011. See: 43 N.J.R. 1162(a).

Subchapter 6, Qualified Offshore Wind Projects, expires on August 10, 2012. See: 43 N.J.R. 658(a).

**Chapter Historical Note**

Chapter 8, Railroads, was recodified as 16:23 by R.1995 d.278, effective June 5, 1995. See: 27 N.J.R. 1155(a), 27 N.J.R. 2247(a).

Chapter 8, Renewable Energy and Energy Efficiency, was adopted as new rules by R.2006 d.178, effective May 15, 2006. Subchapter 2, Interim Renewable Energy Portfolio Standards, was recodified from N.J.A.C. 14:4-8 and renamed Subchapter 2, Renewable Portfolio Standards. See: Source and Effective Date. See, also, section annotations.

Subchapter 8, Standard Offer Contracts, was adopted as new rules by R.2007 d.215, effective July 16, 2007. See: 39 N.J.R. 158(a), 39 N.J.R. 2652(a).

Subchapter 5, Appliance Efficiency, Certification, and Testing Standards, was adopted as new rules by R.2008 d.4, effective January 7, 2008. See: 39 N.J.R. 349(a), 40 N.J.R. 187(a).

Subchapter 3, Environmental Information Disclosure, and Subchapter 4, Net Metering and Interconnection Standards For Class I Renewable Energy Systems, were adopted as new rules by R.2008 d.130, effective May 19, 2008. See: 39 N.J.R. 1405(a), 40 N.J.R. 2526(a).

Subchapter 4, Net Metering and Interconnection Standards for Class I Renewable Energy Systems, was renamed Net Metering for Class I Renewable Energy Systems; Subchapter 5, Appliance Efficiency, Certification, and Testing Standards was recodified to Subchapter 7 and renamed Appliance Efficiency, Certification and Testing Standards; and Subchapter 5, Interconnection of Class I Renewable Energy Systems, was adopted as new rules by R.2010 d.010, effective January 4, 2010. See: 41 N.J.R. 2215(a), 42 N.J.R. 78(a).

Appendix H of Subchapter 3, Label Update and Distribution Timing Requirements, was repealed by R.2010 d.011, effective January 4, 2010. See: 41 N.J.R. 2212(a), 42 N.J.R. 76(a).

Subchapter 6, Qualified Offshore Wind Projects, was adopted as special new rules by R.2011 d.087, effective February 10, 2011. See: 43 N.J.R. 658(a).

Subchapter 3, Environmental Information Disclosure, and Subchapter 7, Renewable Energy and Energy Efficiency, expired on April 18, 2011.

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## SUBCHAPTER 1. RENEWABLE ENERGY GENERAL PROVISIONS AND DEFINITIONS

### 14:8-1.1 Applicability

(a) This chapter applies to the following, as these terms are defined at N.J.A.C. 14:4-1.2 and 14:8-1.2:

1. Electric public utilities, also known as EDCs;
2. Electric power suppliers;
3. BGS providers;
4. Renewable energy customer-generators; and
5. Clean power marketers.

### 14:8-1.2 Definitions

The following words and terms, when used in this chapter, shall have the following meanings unless the context clearly indicates otherwise. Additional definitions that apply to this chapter can be found at N.J.A.C. 14:3-1.1 and 14:4-1.2.

“Class I renewable energy” means electric energy produced from solar technologies, photovoltaic technologies, wind energy, fuel cells powered by renewable fuels, geothermal technologies, wave or tidal action, and/or methane gas from landfills or a biomass facility, provided that the biomass is cultivated and harvested in a sustainable manner. Types of class I renewable energy that qualify for use in meeting the requirements of this subchapter are set forth at N.J.A.C. 14:8-2.5.

“Class II renewable energy” means electric energy produced at a resource recovery facility or hydro power 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. Types of class II renewable energy that qualify for use in meeting the requirements of this subchapter are set forth at N.J.A.C. 14:8-2.6.

“Fossil fuel” means natural gas, petroleum, coal, or any form, of solid, liquid, or gaseous fuel derived from such material.

“Net metering” means a system of metering electricity in which the EDC:

1. Credits a customer-generator at the full retail rate for each kilowatt-hour produced by a class I renewable energy system installed on the customer-generator’s side of the electric revenue meter, up to the total amount of electricity used by that customer during an annualized period; and
2. Compensates the customer-generator at the end of the annualized period for any remaining credits, at a rate

equal to the supplier/provider’s avoided cost of wholesale power.

“NJDEP” means the New Jersey Department of Environmental Protection.

“Renewable energy” means class I renewable energy or class II renewable energy, as those terms are defined in this section.

“Societal benefits charge” or “SBC” means a charge imposed by an electric public utility, at a level determined by the Board, in accordance with N.J.S.A. 48:3-60.

“Solar electric generation” means creation of electricity using a system that employs solar radiation to produce energy that powers an electric generator. Solar electric generation includes technologies that utilize the photovoltaic effect. Solar electric generation is a type of class I renewable energy.

“Supplier/provider” means an electric power supplier or a basic generation service provider, as these terms are defined at N.J.A.C. 14:4-1.2.

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## SUBCHAPTER 2. RENEWABLE PORTFOLIO STANDARDS

### 14:8-2.1 Purpose and scope

(a) Each supplier/provider, as defined at N.J.A.C. 14:8-1.2, that sells electricity to retail customers in New Jersey, shall include in its electric energy portfolio electricity generated from renewable energy sources. This subchapter is designed to encourage the development of renewable sources of electricity and new, cleaner generation technology; minimize the environmental impact of air pollutant emissions from electric generation; reduce possible transport of emissions and minimize any adverse environmental impact from deregulation of energy generation; and support the reliability of the supply of electricity in New Jersey.

(b) This subchapter governs the retail electricity sales of each supplier/provider, as defined in N.J.A.C. 14:8-1.2. This subchapter does not govern installed capacity obligations, as defined at N.J.A.C. 14:8-2.2.

(c) This subchapter does not apply to a private or government aggregator that contracts for electric generation service or electric related services, either separately or bundled, for its own facilities or on behalf of other business and residential customers in this State. This subchapter does not apply to an energy agent, as defined at N.J.A.C. 14:8-1.2. A supplier/provider that is contractually obligated to sell electricity to an aggregator shall comply with this subchapter by including the amount sold to the aggregator as part of its energy portfolio.

Amended by R.2004 d.151, effective April 19, 2004.  
See: 35 N.J.R. 4445(a), 36 N.J.R. 2053(b).

Rewrote the section.