

CHAPTER 8**RENEWABLE ENERGY AND ENERGY EFFICIENCY****Authority**

N.J.S.A. 48:2-13, 48:2-78 et seq., 48:3-48 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

Chapter 8, Renewable Energy and Energy Efficiency, expires on April 18, 2011.

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).

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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.

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.

(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.

Recodified from N.J.A.C. 14:4-8.1 and amended by R.2006 d.178, effective May 15, 2006.

See: 37 N.J.R. 3911(a), 38 N.J.R. 2176(a).

Changed internal references to conform to the recodification of provisions.

14:8-2.2 Definitions

The following words and terms, when used in this subchapter, shall have the meanings given below, unless the context clearly indicates otherwise:

“Alternative compliance payment” or “ACP” means a payment of a certain dollar amount per megawatt hour, which a supplier/provider may submit in lieu of supplying the class I or class II renewable energy required under Table A in N.J.A.C. 14:8-2.3.

“Attribute” means a characteristic associated with electricity generated using a particular renewable fuel, such as its generation date, facility geographic location, unit vintage, emissions output, fuel, State program eligibility, or other characteristic that can be identified, accounted, and tracked.

“Bioenergy crop” means plants cultivated and harvested specifically for use as fuel for the purpose of generating electricity.

“Biomass” has the same meaning as that assigned to this term in Executive Order No. 13134, published in the Federal Register on August 16, 1999. Executive Order No. 13134 defines biomass as “. . . any organic matter that is available on a renewable or recurring basis (excluding old-growth timber), including dedicated energy crops and trees, agricultural food and feed crop residues, aquatic plants, wood and wood residues, animal wastes, and other waste materials.”

“Black liquor” means a viscous liquid containing inorganic chemicals and organic material such as lignin and aliphatic acids, which is separated from wood during chemical pulping.

“Energy portfolio” means all of the electrical energy supplied by a particular electric power supplier or basic generation service provider to New Jersey retail customers.

(b) In determining the appropriate sanction, the Board shall consider the following criteria and any other factors deemed appropriate and material to the electric power supplier's or basic generation service provider's failure to comply:

1. The good faith efforts, if any, of the entity charged in attempting to achieve compliance;
2. The gravity of the violation or failure to comply with the requirements in this subchapter;
3. The number of past violations by the entity charged regarding these standards and other standards adopted by the Board; and
4. The appropriateness of the sanction or fine to the size of the company charged.

Recodified from N.J.A.C. 14:4-8.8 and amended by R.2004 d.151, effective April 19, 2004.

See: 35 N.J.R. 4445(a), 36 N.J.R. 2053(b).

Added a new (a); deleted (b); recodified former (b)i through iv as (a)1 through 4; recodified former (c) as (b), and in (b)3, deleted "interim" preceding "standards".

Recodified from N.J.A.C. 14:4-8.12 and amended by R.2006 d.178, effective May 15, 2006.

See: 37 N.J.R. 3911(a), 38 N.J.R. 2176(a).

Former N.J.A.C. 14:4-8.12, heading was "Penalties".

SUBCHAPTERS 3 THROUGH 4. (RESERVED)

SUBCHAPTER 5. APPLIANCE EFFICIENCY, CERTIFICATION, AND TESTING STANDARDS

14:8-5.1 Definitions

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

"Air-cooled air conditioner" means an air conditioner for commercial application that is rated at or above 240,000 Btu per hour and below 760,000 Btu per hour in cooling capacity that uses an air-cooled condenser.

"Air-cooled central air conditioning heat pump" means a type of "air-cooled very large commercial package air conditioning and heating equipment," as that term is defined at N.J.S.A. 48:3-99.

"Btu" means British thermal unit, a standard unit of energy. One Btu is equal to the amount of heat required to raise the temperature of one pound of liquid water by one degree Fahrenheit at its maximum density, which occurs at a temperature of 39.1 degrees Fahrenheit.

"Clothes washer" means an appliance designed to clean clothing, utilizing a water solution of soap or detergent, and mechanical agitation or other movement.

"Coefficient of performance" means, in relation to an air-cooled central air conditioning heat pump operating in the heating mode, the ratio of heating capacity in watts to the power input in watts, measured at standard rating conditions.

"Commercial clothes washer" means a soft mount front-loading or soft mount top-loading clothes washer that meets all of the following criteria:

1. The washer is designed for use by the occupants of more than one household, including:
 - i. Common areas in multi-family housing;
 - ii. Coin laundries; or
 - iii. Other commercial applications;
2. The washer does not require mechanical fastening to a floor for proper operating performance under typical commercial clothes washer conditions of use; and
3. The clothes container compartment is no greater than:
 - i. 3.5 cubic feet for a horizontal-axis clothes washer; and
 - ii. 4.0 cubic feet for a vertical-axis clothes washer.

"Commercial refrigerator, freezer, and refrigerator-freezer equipment" means refrigeration equipment that:

1. Is not a consumer product;
2. Operates at a chilled, frozen, combination chilled/frozen, or variable temperature;
3. Displays or stores merchandise either horizontally, semi-vertically, or vertically;
4. May have transparent or solid hinged doors or both, sliding doors, a combination of hinged and sliding doors or no doors;
5. Is designed either for pull-down temperature applications or holding temperature applications;
6. Is connected to a self-contained condensing unit; and
7. Is not a refrigerator, freezer, or refrigerator-freezer designed and marketed exclusively for medical, scientific, or research purposes.

"Consumer product" means any article of a type which, to any significant extent, is distributed in commerce for personal use or consumption by individuals.

"Distributor" means a person who sells, offers for sale or installs an appliance.

“Energy efficiency ratio” means, in relation to an air-cooled central air conditioner or an air-cooled central air conditioning heat pump, the ratio of the cooling capacity in Btu per hour to the power input values in watts obtained at standard rating conditions expressed in Btu per watt-hours.

“Front-loading clothes washer” means a clothes washer with the door for access to the clothes container compartment located on the front of the machine.

“Holding temperature application” means all uses of commercial refrigerator, freezer, and refrigerator-freezer equipment other than “pull-down temperature applications,” as defined in this section.

“Illuminated exit sign” means a sign that is designed to be permanently fixed in place and used to identify an exit, in which a light source illuminates the sign or letters from within, and the background of the sign is not transparent.

“kVa” means kilovolt amperes, which is a unit of measurement for electric power.

“Low-voltage dry-type distribution transformer” means a transformer with an input voltage of 600 volts or less, which is between 14 kVa and 2,501 kVa in size, is air-cooled, and does not use oil as a coolant. This term does not include the following:

1. Auto-transformers;
2. Drive transformers;
3. Grounding transformers;
4. Harmonic transformers;
5. Impedance transformers;
6. Machine tool transformers;
7. Rectifier transformers;
8. Regulating transformers;
9. Sealed and non-ventilating transformers;
10. Testing transformers;
11. Transformers with multiple voltage taps with the highest voltage tap more than 20 percent greater than the lowest voltage tap;
12. Uninterruptible power system (UPS) transformers; and
13. Welding transformers.

“Manufacturer” means any person engaged in the original production or assembly of an appliance.

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

“Packaged air-conditioning equipment” means air-conditioning equipment that is designed and manufactured so as to work without additional equipment, and is shipped as a whole to the site at which it will be used.

“Pull-down temperature applications” means the use of commercial refrigerator, freezer, and/or refrigerator-freezer equipment to rapidly reduce the temperature of the products it contains within the following parameters:

1. A minimum reduction rate of 4.3 degrees Fahrenheit per hour over a 12-hour period; and
2. An overall integrated product temperature of 38 degrees Fahrenheit when fully loaded with beverage containers.

“Self-contained condensing unit” means a factory-made assembly of refrigerating components designed to compress and liquefy a specific refrigerant that is an integral part of the refrigerated equipment. A self-contained condensing unit consists of one or more refrigerant compressors, refrigerant condensers, condenser fans and motors, and factory supplied accessories.

“Torchiere lighting fixture” means a portable, plug-in electric lighting fixture with a reflector bowl directing light upward to provide indirect illumination.

“Traffic signal module” means a standard eight-inch (200 mm) or 12-inch (300 mm) round traffic signal indicator, consisting of a light source, lens and all parts necessary for operation, which communicates movement messages to drivers through red, amber and green colors, and may include arrow modules in the same colors to indicate turning movements.

“Transformer” means a device consisting of two or more coils of insulated wire, which transfers alternating current by electromagnetic induction from one coil to another in order to change the original voltage or current value.

“Unit heater” means a self-contained fan-type heater that uses natural gas, propane, or fuel oil and is designed to be installed in a heated space. A unit heater contains an apparatus or appliance to supply heat, and a fan for circulating air over a heat exchange surface, all enclosed in a common casing. Unit heaters do not include “warm air furnaces” as defined under the Federal Energy Policy Act of 1992, Pub. L. 102-486.

14:8-5.2 Purpose and scope

(a) This subchapter performs the following functions:

1. Establishes minimum energy and water efficiency standards for appliances described in this section;
2. Establishes testing requirements and procedures for appliances described in this section;