

Special amendment, R.2011 d.130, effective March 30, 2011 (to expire September 30, 2012).  
See: 43 N.J.R. 1206(a).

In definition "Alternative compliance payment", substituted "to comply with" for "in lieu of supplying" and "requirement in" for "required under"; added definition "Energy year"; rewrote definitions "Renewable Energy Certificate" and "Solar alternative compliance payment"; deleted definitions "Reporting year", "Total cost of solar incentives" and "Total retail cost of electricity"; substituted definition "Solar renewable energy certificate" or "SREC" for definition "Solar REC"; and rewrote definition "Solar renewable energy certificate" or "SREC".

Amended by R.2012 d.107, effective June 4, 2012.

See: 43 N.J.R. 1162(a), 44 N.J.R. 1703(a).

Rewrote definition "Qualification life"; deleted definition "Qualified renewable energy"; and added definition "Solar electric generating facility".

**14:8-2.3 Amount of renewable energy required**

(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 ensure that the electricity it sells each energy year in New Jersey includes at least the minimum amount of qualified renewable energy, as defined at N.J.A.C. 14:8-2.2, required for that energy year, as specified in this section. Requirements for class I and class II renewable energy are set forth in Table A below:

Table A  
What Percentage Of Energy Supplied Must Be Class I Or Class II Renewable Energy?

Energy Year	Class I Renewable Energy	Class II Renewable Energy
June 1, 2004 - May 31, 2005	.74%	2.50%
June 1, 2005 - May 31, 2006	0.983%	2.50%
June 1, 2006 - May 31, 2007	2.037%	2.50%
June 1, 2007 - May 31, 2008	2.924%	2.50%
June 1, 2008 - May 31, 2009	3.84%	2.50%
June 1, 2009 - May 31, 2010	4.685%	2.50%
EY 2011:	5.492%	2.50%
June 1, 2010 - May 31, 2011		
EY 2011:	6.320%	2.50%
June 1, 2011 - May 31, 2012		
EY 2011:	7.143%	2.50%
June 1, 2012 - May 31, 2013		
EY 2011:	7.977%	2.50%
June 1, 2013 - May 31, 2014		
EY 2011:	8.807%	2.50%
June 1, 2014 - May 31, 2015		
EY 2011:	9.649%	2.50%
June 1, 2015 - May 31, 2016		
EY 2011:	10.485%	2.50%
June 1, 2016 - May 31, 2017		
EY 2011:	12.325%	2.50%
June 1, 2017 - May 31, 2018		
EY 2011:	14.175%	2.50%
June 1, 2018 - May 31, 2019		
EY 2011:	16.029%	2.50%
June 1, 2019 - May 31, 2020		
EY 2011:	17.880%	2.50%
June 1, 2020 - May 31, 2021		

(b) The Board shall adopt rules setting minimum amounts of solar electric generation, class I renewable energy and class II renewable energy required for EY 2022 and each subsequent energy year. These minimum amounts shall be no lower than those required for EY 2021. The Board, in consultation with the NJDEP, EDCs, Rate Counsel, the solar energy industry and relevant stakeholders, shall periodically consider increasing the renewable energy portfolio standards beyond the minimum amounts set forth in this chapter, taking into account the cost impacts and public benefits of such increases including, but not limited to:

1. Reductions in air pollution, water pollution, land disturbance and greenhouse gas emissions;
2. Reductions in peak demand for electricity and natural gas and the overall impact on the costs to electricity and natural gas customers;
3. Increases in renewable energy development, manufacturing, investment and job creation opportunities in New Jersey; and
4. Reductions in State and national dependence on fossil fuels.

(c) Each supplier/provider's solar electric generation obligation shall be calculated in accordance with (j) through (o) below. A supplier/provider shall meet the requirements for solar electric generation through:

1. Retirement of SRECs through a renewable energy trading program approved by the Board in consultation with the NJDEP; or
2. Submittal of one or more SACPs.

(d) A supplier/provider may meet the class I and class II renewable energy requirements in Table A above by retiring RECs in accordance with N.J.A.C. 14:8-2.8. Alternatively, a supplier/provider may comply with the class I and class II requirements of this subchapter by submitting the appropriate number of ACPs, in accordance with N.J.A.C. 14:8-2.10.

(e) (Reserved.)

(f) The following shall apply to the type of energy, and type of documentation, used for compliance with each of the requirements in this subchapter:

1. SRECs may be used to meet any requirement for solar electric generation, class I renewable energy, or class II renewable energy;
2. Class I RECs may be used to meet class I renewable energy requirements or class II renewable energy requirements, but shall not be used to meet solar electric generation requirements; and
3. Class II RECs shall be used only to meet class II renewable energy requirements, and shall not be used to

meet solar electric generation requirements or class I renewable energy requirements.

(g) A supplier/provider shall not demonstrate compliance with this subchapter using direct supply of any type of renewable energy.

(h) (Reserved)

(i) The same renewable energy shall not be used for more than one of the following:

1. Creation of an SREC under N.J.A.C. 14:8-2.9;
2. Creation of a REC under N.J.A.C. 14:8-2.8 or 2.9; or
3. Creation of a REC, or of any other type of attribute or credit, under authority other than N.J.A.C. 14:8-2.9 such as another state's renewable energy standards or any voluntary clean electricity market or voluntary clean electricity program.

(j) Each megawatt-hour (MWh) of retail electricity supplied in New Jersey by a supplier/provider subject to this subchapter carries with it an accompanying solar obligation. Beginning on June 1, 2010, each supplier/provider shall calculate its solar obligation for each energy year as set forth in (m) through (o) below. Subsections (m) through (o) below allocate the Table B Statewide solar obligation among all supplier/providers that are subject to this subchapter. All supplier/provider solar obligations, taken together, must equal the Statewide solar obligation set forth in Table B below for the applicable energy year.

(k) Notwithstanding any other provision of this section, if a BGS provider has, prior to January 17, 2010, executed a BGS contract to provide retail electricity, the solar obligation resulting from the electricity supplied under that contract shall be determined using the provisions of this subchapter that were in effect at the time the contract was executed. For the purpose of this section, the electricity supply covered by these contracts shall be called "exempt electricity," and electricity supply not covered by such a contract shall be called "non-exempt electricity."

(l) All contracts subject to exemption under (k) above will expire on or before May 31, 2012. Therefore, for EY 2011 and 2012, the solar obligation that attaches to exempt electricity supply must be calculated separately from the solar obligation for non-exempt electricity supply, in accordance with the applicable provisions of (m) through (o) below. If a supplier/provider's energy portfolio includes both exempt and non-exempt electricity supply, the solar obligation for each shall be calculated separately and summed to determine that supplier/provider's total solar obligation for the energy year.

(m) For any exempt electricity supplied, a provider shall calculate its solar obligation as follows:

1. Determine the MWhs of exempt electricity the provider supplied during the energy year;

2. Determine the solar electric generation percentage requirement in effect when the BGS contract subject to (k) above was executed; and

3. Multiply (m)1 and 2 above.

(n) For any non-exempt electricity supplied during EY 2011 or 2012, a supplier/provider shall calculate its solar obligation as follows:

1. Determine the supplier/provider's market share of the non-exempt electricity supplied Statewide during the applicable energy year, as follows:

i. Consult the Board's NJCEP website to determine the number of MWhs of non-exempt electricity supplied Statewide during the energy year by all supplier/providers subject to this subchapter;

ii. Determine the number of MWhs of non-exempt electricity the supplier/provider supplied during the energy year; and

iii. Divide (n)1ii above by (n)1i above to obtain a fraction representing the supplier/provider's non-exempt electricity market share for the applicable energy year;

2. Determine the total Statewide solar obligation for non-exempt electricity supply during the applicable energy year as follows:

i. Consult Table B below to determine the total Statewide solar obligation for all electricity supplied during the energy year;

ii. Consult the Board's NJCEP website to obtain the cumulative solar obligation for the exempt electricity that was supplied during the energy year;

iii. Subtract (n)2ii above from (n)2i above. The result is the total Statewide solar obligation for non-exempt electricity supplied during the energy year; and

3. Multiply the supplier/provider's non-exempt market share from (n)1 above by the Statewide non-exempt solar obligation from (n)2 above. The result is the supplier/provider's solar obligation for the non-exempt electricity that it supplied during the energy year.

(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**

<u>Energy Year</u>	<u>Statewide Solar Obligation in GWhs</u>
EY 2011: June 1, 2010 - May 31, 2011	306
EY 2012: June 1, 2011 - May 31, 2012	442
EY 2013: June 1, 2012 - May 31, 2013	596
EY 2014: June 1, 2013 - May 31, 2014	772
EY 2015: June 1, 2014 - May 31, 2015	965
EY 2016: June 1, 2015 - May 31, 2016	1,150
EY 2017: June 1, 2016 - May 31, 2017	1,357
EY 2018: June 1, 2017 - May 31, 2018	1,591
EY 2019: June 1, 2018 - May 31, 2019	1,858
EY 2020: June 1, 2019 - May 31, 2020	2,164
EY 2021: June 1, 2020 - May 31, 2021	2,518
EY 2022: June 1, 2021 - May 31, 2022	2,928
EY 2023: June 1, 2022 - May 31, 2023	3,433
EY 2024: June 1, 2023 - May 31, 2024	3,989
EY 2025: June 1, 2024 - May 31, 2025	4,610
EY 2026: June 1, 2025 - May 31, 2026	5,316
EY 2027 and Beyond	At Least 5,316 Per Year

Repeal and New Rule, R.2004 d.151, effective April 19, 2004.

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

Section was "Implementation schedule".

Administrative correction.

See: 36 N.J.R. 4155(a).

Amended by R.2005 d.87, effective March 7, 2005.

See: 36 N.J.R. 1892(a), 37 N.J.R. 787(a).

Rewrote (a); in (d), deleted "GATS system is operational and the" following "shall be used only after the"; added (j).

Recodified from N.J.A.C. 14:4-8.3 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 throughout; in (a), substituted "(i)" for "(j)" in the introductory paragraph and inserted entries for June 1, 2009 through May 31, 2021 in table A; in (b), substituted "2022" for "2009" and "2021" for "2008"; rewrote (c) and (d); deleted (e); recodified (f) and (g) as (e) and (f); rewrote (f); deleted (h); recodified (i) and (j) as (g) and (h); rewrote (g); updated Table B in (h); and inserted (i).

Amended by R.2009 d.91, effective March 16, 2009.

See: 40 N.J.R. 3586(a), 41 N.J.R. 1261(a).

In (a), substituted "(h), (j) or (k)" for "(i)"; in (b), inserted "except as may have been adjusted as provided in (j) and (k) below"; and added (j) and (k).

Public Notice.

See: 41 N.J.R. 1532(b).

Special amendment, R.2011 d.130, effective March 30, 2011 (to expire September 30, 2012).

See: 43 N.J.R. 1206(a).

Section was "Minimum percentage of renewable energy required". Rewrote the section.

Amended by R.2012 d.107, effective June 4, 2012.

See: 43 N.J.R. 1162(a), 44 N.J.R. 1703(a).

In the introductory paragraph of (b), deleted a comma following the first occurrence of "energy", and rewrote the last sentence; added (b)1 through (b)4; in (c)1, substituted "NJDEP" for "Department of Environmental Protection"; and deleted and reserved (h).

#### **14:8-2.4 Energy that qualifies for an SREC; registration requirement**

(a) To be eligible to form the basis for an SREC usable for compliance with this subchapter, electricity shall meet all requirements in this section, as well as all other applicable requirements in this chapter. The registration process required in this section for construction of new solar electric generation facilities is intended to provide advance notice to the public and the renewable energy markets when increases in solar electric generation capacity in New Jersey are planned. The registration process shall be administered by Board staff or the Board's designee.

(b) To be eligible for issuance of an SREC usable for compliance with this subchapter, electricity shall:

1. Meet the definition of solar electric generation at N.J.A.C. 14:8-1.2;

2. Be generated at a facility that has been issued a New Jersey State Certification Number by Board staff;

3. Be generated during the generating facility's qualification life, as defined at N.J.A.C. 14:8-2.2. Solar electric generation produced after the end of a facility's qualification life shall not be used as the basis for an SREC, but may be used as the basis for a class I REC under N.J.A.C. 14:8-2.5; and

4. Be generated using equipment that meets either of the following criteria:

i. The equipment is new, that is, none of the equipment has been used prior to the installation of the solar electric generating facility; or

ii. The equipment was previously used in a solar facility with an unexpired qualification life and all of the following criteria are met:

(1) The previous solar facility was located in New Jersey;

(2) The previous solar facility was issued a New Jersey State Certification Number by Board staff;

(3) There are at least 12 full months left in the qualification life of the previous solar facility; and

(4) Any sale or other transfer of the equipment during the qualification life of the previous solar facility is recorded with the Board and with PJM-EIS through submittal of a PJM-EIS system change form.

(c) To comply with (b)2 above, a solar electric generating facility that was not issued a New Jersey State Certification Number prior to June 4, 2012, shall obtain a New Jersey State

Certification Number through the registration process set forth in this section. The registration process includes three important deadlines:

1. The submittal of an initial registration package under (f)1 below shall occur no later than:

i. Ten business days after execution of the contract for purchase or installation of the photovoltaic panels to be used in the solar facility;

ii. If a contract for purchase and/or installation of photovoltaic panels for the solar facility was executed prior to June 4, 2012, the deadline for submittal of an initial registration package shall be July 4, 2012; or

iii. In a case where a conditional registration or extension was previously issued but expired before construction of the solar facility was substantially completed, a new registration package shall be submitted prior to completion of construction;

2. Construction of the solar facility shall not begin until Board staff has issued a conditional registration for the facility under (f)5 below; and

3. Construction of the solar facility shall be completed and local code approval granted prior to the expiration of the conditional registration or any extension granted under (g) below.

(d) A solar electric generating facility, and all equipment included in or appurtenant to the solar facility, shall permanently retain the qualification life originally assigned to the solar facility, regardless of any interruption in the solar facility's operation, or any relocation, sale or transfer of the facility or of any of the equipment.

(e) If the applicable submittal deadline in (c)1 above is met, SRECs, based on electricity generated by the solar facility, shall be usable for compliance with this chapter immediately upon the issuance of a New Jersey State Certification Number for the facility, subject to any other applicable limits on use of SRECs. If the applicable deadline is not met, any SRECs based on electricity generated by the solar facility shall not be usable for compliance with this chapter until 12 months after the solar facility has received authorization to energize in accordance with the Board's interconnection rules at N.J.A.C. 14:8-5.

(f) Registration of a solar electric generating facility requires completion of the following process:

1. The registrant shall submit an initial registration package to the Board, completed in accordance with (j) below, within the applicable deadline at (c)1 or 2 above;

2. Upon receipt of an initial registration package, Board staff shall review the package for completeness. If the initial registration package is incomplete or deficient, Board staff shall notify the registrant in writing of the deficiencies;

3. Once the registration package is complete, Board staff shall review the package to determine whether the solar facility meets the SREC eligibility requirements of this subchapter. If the facility does not meet these requirements, Board staff shall notify the registrant. The registrant shall revise the package and resubmit it within one year of this notice. Failure to resubmit within this time will result in cancellation of the registration process, in which case a complete new registration process shall be required for the solar facility to obtain a New Jersey State Certification Number;

4. If the solar facility as described in the initial registration package meets SREC eligibility requirements, Board staff shall issue notice to the registrant of a conditional registration for the facility. The notice of the conditional registration shall:

i. State that, if the solar facility is constructed as described in the initial registration package, Board staff will issue a New Jersey State Certification Number for the solar facility upon construction completion and inspection; and

ii. Include an expiration date 12 months after the date of the notice; and

5. After issuance of the notice of conditional registration, construction of the solar facility as described in the initial registration package may begin.

(g) Construction of the solar electric generating facility shall be completed prior to expiration of the conditional registration. The registrant may request one extension prior to the expiration of the conditional registration, and shall include an updated schedule for completion. Board staff may authorize one extension for the project on a case-by-case basis, based on the likelihood of timely and successful completion of the solar facility. An extension shall provide a new expiration date, six months from the expiration of the original conditional registration. If the conditional registration, or extension, expires before construction is complete, the registrant shall begin the entire registration process again by submitting an initial registration package. Board staff shall treat the new registration package as if it were a first-time submittal, with no reference to the previous registration process.

(h) Each initial registration package shall be completed in accordance with the instructions found on the Board's New Jersey Clean Energy Program website at [www.njcleanenergy.com](http://www.njcleanenergy.com). The registration instructions shall require the following basic types of information:

1. Information identifying and describing the owner, host location, builder/installer and operator of the solar electric generating facility;

2. Basic information describing the solar facility, including its capacity, manufacturer and expected output;