

Public Notice

PUBLIC UTILITIES

BOARD OF PUBLIC UTILITIES

Notice of Action on Petition for Rulemaking

Clean Energy

**Proposed New Rule: Exemption from Requirement that Solar Renewable Energy
Certificates (SRECs) Be Based on Metered Generation when Meter Failure Occurs**

Petitioner: Gloria and Paul Van Houten

Take notice that on February 25, 2013, the Board of Public Utilities (the Board) received a petition for rulemaking from Gloria and Paul Van Houten, residents of Millstone Township, New Jersey, requesting that the Board amend its rules set forth at N.J.A.C. 14:8-2.9 to permit Solar Renewable Energy Certificates (SRECs) to be based upon data other than the readings from a meter compliant with the American National Standards Institute (ANSI) Standard C12.1-2008.

Take further notice that the Board considered the petition for rulemaking during the open public session of its April 29, 2013 meeting, at which time the Board determined that further review and analysis of the issues raised by the petitioner were warranted to determine whether the requested amendments to N.J.A.C. 14:8-2.9 are necessary and reasonable, and within 90 days, finalize a notice of action on the petition for rulemaking. A notice acknowledging receipt of the petition and the Board's determination to refer the action for

further review and analysis of the issues raised by Mr. and Mrs. Van Houten was published in the New Jersey Register on June 3, 2013 at 45 N.J.R. 1433(b).

Take further notice that the Board has determined to deny the petition for rulemaking. Petitioners state that following Superstorm Sandy, although the system was still producing and returning power to the grid, their SREC meter was not operational, and their solar production was not recorded on a revenue-grade meter. The petitioners maintain that they lost credit for the months of December 2012 and January 2013, and urge the Board to make allowances for meter down time.

SRECs have a monetary value; over the course of their useful lives, they are bought, sold, and ultimately retired to comply with the Renewable Portfolio Standard (RPS) in New Jersey or another state. N.J.A.C. 14:8-2.9 describes the conditions that must be satisfied for energy generated by a solar facility in this State to qualify for the issuance of renewable energy certificates (RECs) and SRECs. The rule formerly provided that solar systems less than 10 kilowatts (kW) had the option of submitting engineering estimates in lieu of actual metered data; however, the Board eliminated this option even for small systems when it readopted its renewable energy and energy efficiency rules, effective June 4, 2012. (44 N.J.R. 1703(a).) This elimination of the exemption for small solar systems evidences the Board's policy that the most accurate measurement possible must underlie all claims for SRECs which are supported with ratepayer money. As stated on the New Jersey Clean Energy Program website, www.njcleanenergy.com, at the page addressing the metering requirements for renewable systems, "A revenue grade meter is required to be installed and is the only acceptable method of determining SREC generation." Per N.J.A.C. 14:8-2.9(c), as of December 4, 2012, a qualifying

meter must also satisfy the American National Standards Institute Standard C12.1-2008 and additional PJM-EIS Generation Attribute Tracking System requirements.

The Board has consistently denied requests to base SRECs on data other than that produced by an ANSI-compliant meter. As noted above, the Board has moved to require increasingly accurate measurements of the solar energy on which SRECs are based in recognition of the contribution of the State's electric customers that supports the value of those SRECs. The Board sees nothing in the facts presented in the petition to support an alteration in that policy and a revision of the current rule. Accordingly, the Board denies the petition.

A copy of this notice has been mailed to the petitioner consistent with the requirements of N.J.A.C. 1:30-4.2.