



**PV America East 2013
Reception**

Feb 5, 2013





MSEIA GOALS

1. Accelerate the growth of solar power. **S1925 PASSED-
FOUR YEARS OF SOLAR RPS ADVANCED**
2. Ensure that solar power is delivered to ratepayers at the lowest possible cost. **SEE \$90 SREC prices**
3. Preserve and enhance diversity in the solar industry; ensure that all sectors have opportunity to participate. **EDC SREC contract and loan programs coming again.**





New Jersey Market - Challenges for 2013

- Work with legislators to create a rational, overall framework for policy- **NOT YET**
- Prevent oversupply. Convince policy makers to embrace a gatekeeper function. **UNSUCCESSFUL – EXCEPT FOR PROCESS OF “CONNECTED TO THE DISTRIBUTION GRID”**
- Long-term contracts through market- **NOT HAPPENING**
- Within SREC programs, create structures for small & medium-sized systems – e.g., carve-out. **TBD**





Questions for 2013

- Is there room in the NJ RPS schedule for net-metered and grid supply solar? **NOT WITH PRESENT MARKET OVERSUPPLY RELATIVE TO RPS**
- What happens to NJ net-metered solar market in event of SREC oversupply? **SHRINKAGE HAPPENED IN 2012**
- What can be done to protect NJ net-metered solar industry from onslaught of SRECs from large solar farms? **LOW SREC PRICES AND SOLW BPU PROCESS ARE HAVING AN EFFECT-**
- How does MSEIA build strength (political and financial) necessary to protect growth of net-metered market. **EDUCATE AND BUILD VOTER COALITION**

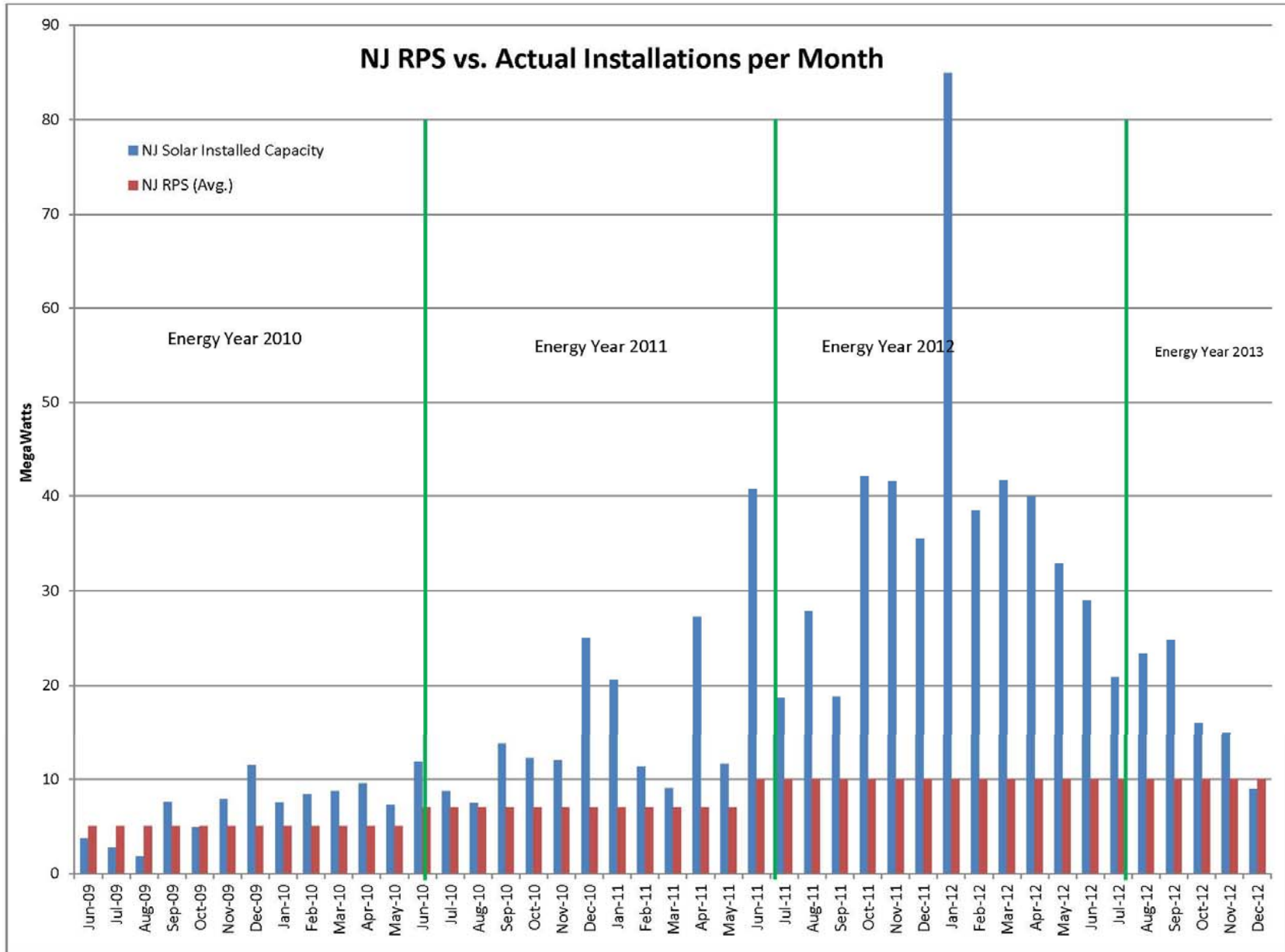




Annual Solar RPS Requirement- **EXCEEDED**

- Pace of net-metered solar installations in 2012 exceeded annual RPS. **AVERAGED NEAR 31 MW IN 2012**
- High SREC prices and 1603 GRANT fueled record pace IN 2011 AND 2012
- December 2012 completions dropped to 9 MW
- 959 MW installed as of January 1, 2013







Solar farm construction slowed or stopped in most cases

- S1925 LIMITS PACE OF GRID SUPPLY ADDITIONS
- Directs BPU to establish expedited process for designation as “connected tot the distribution grid” for projects meeting S1925 milestones – about 500 MW
- Information gathering and ranking of Grid Supply projects by BPU still underway- BPU gathered information on construction and approvals, money invested
No definite timing for BPU recommendation.





Action Required in 2013

- Expand MSEIA membership to build strength
- Recruit all those involved in PV industry (manufacturers, installers, distributors, electricians, subcontractors, engineering firms, legal, finance)
- Educate public to issue of low, negative cost of net-metered solar due to positive impact on EDC costs, wholesale electric prices,
- Articles, press releases, white papers
- Recruit thousands of solar system owners/supporters to join solar voter coalition - build voter support. Overcome Rate Counsel perception that PV is expensive





Current SREC Markets:

- SREC Market: \$0.09/kwh
- PSEG Loan II: \$0.??
- JCPL/ACE LT contracts: \$0.??





PSEG SOLAR4 ALL Proceeding

MSEIA intervened and became a party to the proceeding

MSEIA position is that Solar4All should not earn SRECS

That SREC market does not need Solar4All capacity

Submitted testimony and Solar Impact Study into Evidence

Rate Counsel challenging Study Conclusions with large number of information requests

Major burden to respond, some legal costs





Current SREC Market:

- Long Term (10-15) SREC contracts difficult/impossible to secure from LSEs **YES**
- Volume of spot market transactions **LOW, UNCERTAIN**
- Some 3-5 year SREC contracts available **????**
- Need long term SREC contracts available to all market segments to level playing field **YES !!!!! Near term only through EDC programs**





2013 MSEIA INITIATIVES

Expand membership to increase strength of PV industry

Educate the public to **LOW/NEGATIVE** cost of solar electricity

Create voter block of solar owners/advocates to press Legislature to increase and accelerate solar commitment of New Jersey

Develop SREC market strategy and implementing legislation to separate net-metered from PV grid supply

Support evolution to long term SREC contracts by supporting extension and expansion of:

PSEG SREC Loan Program

JCP&L/ACE/RECO long term SREC solicitations

Set aside/new programs for small PV systems

