



**MSEIA
2016 Q2 MEETING**

June 8, 2016

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New Jersey Issues

- 1. S1707/A2203 - Renewable Energy Transition Act (RETA)**
- 2. Aggregated net metering at retail (S2109)**
- 3. Short-term RPS fix bill (S2276)**
- 4. PSE&G filing for a Solar 4 All Extension**
- 5. Commercial PACE bill**
- 6. Rate Decoupling**

New Jersey

1. S1707/A2203 - Renewable Energy Transition Act (RETA)

Requires 80% renewable electricity by 2050, with interim requirements every five years, starting in 2020. Initiated by MSEIA and the NJ FREE Coalition. The bill has already passed the Senate, but faces challenges in the Assembly. MSEIA and the NJ FREE Coalition plan to support the bill for (hoped for) passage in early 2018.

This bill will be the ultimate growth engine for solar energy in New Jersey, and will make it a national leader. Sustained and coordinated efforts will be required from MSEIA members and leaders, along with Coalition partners, to get it passed.

+ Senate passed the bill in March

+ NJ FREE partner Clean Water Action working on DeAngelo in Assembly. DeAngelo not looking easy. May need to go to Assembly leadership.

+ UU Legislative Ministry has gotten over 500 letters sent to DeAngelo, and as many to other legislators. Sierra Club has done about 100 letters.

+ South Orange, Jersey City, and the County of Essex have passed resolutions supporting either the bill or 80% by 2050. Steve Fulop, a leading candidate for Governor, requested the Jersey City resolution. He's tied to DiVincenzo, Assembly Speaker. Princeton Environmental Commission passed a resolution, Princeton Committee expected to soon.

New Jersey

2. Aggregated net metering at retail (S2109)

This bill would change the existing aggregated net metering from the Solar Act of 2012 to allow entities other than municipal and state government entities, and would provide for retail credit instead of wholesale credit at participating sites.

- + Opposition to the bill is expected, including from the Utilities Association.
- + MSEIA will also need to push for amendments, especially one to end the requirement that the host site all participating sites have the same owner.
- + Meetings will be needed with Senator Smith to propose amendments.

New Jersey

3. Short-term RPS fix bill (S2276)

This bill would provide a short-term fix to the RPS, bringing all remaining solar growth into the period EY2018 to EY2021, without changing the final cumulative total solar power.

It would also establish a 21-person governmental Study Commission to study the future of solar energy in NJ.

- + At Monday's hearing amendments were made adding three new members to the Study Commission. At this point the composition of the Commission can be regarded as 14 to 10 against high-growth solar.
- + The Office of the Rate Counsel requested an amendment establishing an SREC market monitor within the BPU to look for improprieties in the market. The Rate Counsel strongly opposes the bill.
- + The Chemical Industry Council and the NJ Business & Industry Association opposed the bill, as expected.
- + The Retail Energy Suppliers Association opposed the bill.
- + Most do not believe that the Governor will sign the bill.

New Jersey

4. PSE&G filing for a Solar 4 All Extension

PSE&G has filed a request with the BPU for an extension of its Solar 4 All program, in which PSE&G builds and owns PV systems. The initial request is for 100 MW of solar facilities on landfills. It is highly likely that the BPU would approve much less.

MSEIA plans to file with the BPU to be an intervenor in the case. MSEIA must begin to discuss the positions it plans to take during the intervenor proceedings.

- + Bill Potter has generously offered to file for intervenor status for MSEIA. As of today, the filing has been submitted. PSEG has indicated that it will not oppose MSEIA's intervenor status.
- + Intervenor meetings will start soon. As an intervenor, MSEIA must participate in the meetings.



New Jersey

5. Commercial PACE bill

According to rumor, a bill may be introduced in the coming weeks that will enable and encourage PACE financing for commercial facilities.

MSEIA has strongly supported PACE financing in the past. This bill will require substantial support, especially at the Governor's office.

+ MSEIA will need to meet with bill sponsors (Smith and others) to promote the bill.

New Jersey Action Items

6. Rate Decoupling

Just as New York has undertaken the “Reforming the Energy Vision” (REV) process to change the utility business model there to one more suited to the proliferation of renewables, efficiency, and distributed generation, New Jersey must grapple with changing the utility business model here. MSEIA member Bill Potter has begun a process of gathering stakeholders together to discuss decoupling, a change in the utility business model in which electric rates charged by utilities do not depend on KWH sales – that is, rates are decoupled from throughput.

- + Legislation may be proposed soon. MSEIA is already involved in the discussion, and must help lead stakeholders to a solution that truly supports the long-term growth of renewables.
- + Bill Potter has secured a meeting with Senator Smith to discuss moving forward on June 21.
- + Bill Potter is planning to draft a bill.

