



Agenda Date: 3/29/06  
Agenda Item: 1C

## STATE OF NEW JERSEY

*Board of Public Utilities*

*Two Gateway Center*

*Newark, NJ 07102*

*www.bpu.state.nj.us*

IN THE MATTER OF THE OFFICE OF  
CLEAN ENERGY CUSTOMER ON-SITE  
RENEWABLE ENERGY (CORE) PROGRAM  
REQUEST FOR EXTENSION OF CONTRACT  
DEADLINE BY NEW JERSEY DEPARTMENT  
OF MILITARY AND VETERANS AFFAIRS

) CLEAN ENERGY  
) ORDER  
)  
) DOCKET NO. E004121550

(SERVICE LIST ATTACHED)

BY THE BOARD:

This matter involves a request by the New Jersey Department of Military and Veteran Affairs (DMAVA) for relief from a denial by the Office of Clean Energy (OCE) to its request for an extension beyond the 180-day allotted time for public entities to submit a final contract for renewable energy projects under the Board's Customer Onsite Renewable Energy (CORE) Program. Under current program guidelines, DMAVA had until 1/24/06 to provide the final contract to OCE Staff, but was not able to complete the State procurement process within that time period. According to DMAVA, a procurement waiver has now been finalized with the Department of Treasury and the contract can be executed if the Board grants an extension to the aforementioned deadline. DMAVA further states that its failure to obtain this extension will result in the cancellation of this project.

The Chief of Staff recommends that the Board approve the request and issue a Secretary's letter providing the requested 90-day extension, which would permit DMAVA until 4/29/06 to submit the required contract. For the reasons stated below, the Board grants this request.

### BACKGROUND

The Board's CORE program provides a rebate to qualified applicants of up to 70% of the installed costs of solar photovoltaic (PV) electric renewable energy systems of less than ten kilowatts, and a rebate of up to 60% for PV systems larger than ten kilowatts, up to one megawatt. Current program guidelines require a signed installation contract to be submitted to OCE Staff by public sector applicants within 180 days of the issuance of a rebate approval letter by OCE.

DMAVA's solar rebate application for a 400 kilowatt system at its Homeland Security Center of Excellence was submitted on 6/23/05. An approval letter was issued on 7/28/05, giving DMAVA until 1/24/06 to submit the executed contract.


On 1/26/06, DMAVA, through counsel, requested a 90-day extension for providing the contract. DMAVA cited difficulties in finalizing the State procurement process. This initial request was denied by OCE Staff, but was followed by another letter to the Board dated 3/22/06, in which DMAVA stated that without a CORE rebate at the level approved in 2005, it would not be able to build the project, due to the unavailability of additional federal funds to complete the project should the lower CORE rebate levels now in effect apply.

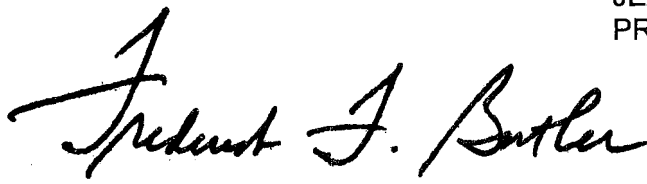
The Board notes that this project is undertaken by a state agency for the public good, and therefore serves as a model for other state agencies to engage in renewable energy projects. The completion of the project is entirely contingent upon both federal funding and this waiver request. Approval of DMAVA's request would not delay other projects, nor result in unduly extended construction times, since DMAVA is still required to complete the project within OCE construction deadlines. While the OCE's guidelines state that there will be no exceptions to the requirement to submit a contract within 180 days, the Board has the flexibility and authority to waive that requirement for good cause, and concludes that such good cause exists in these limited circumstances.

Based on the foregoing, the Board HEREBY GRANTS the request of the New Jersey Department Military and Veteran Affairs for a 90-day extension to the CORE Program contract submission requirement applicable to public applicants. DMAVA now has until 4/29/06 to submit a final contract for its proposed project, or lose its current CORE rebate commitment.

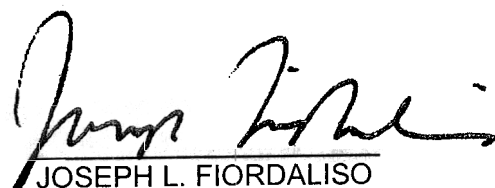
DATED: 4/4/06

BOARD OF PUBLIC UTILITIES  
BY:

  
JEANNE M. FOX  
PRESIDENT

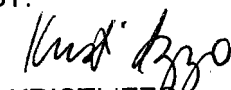
  
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COMMISSIONER

  
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COMMISSIONER

  
CHRISTINE V. BATOR  
COMMISSIONER

ATTEST:

  
KRISTI IZZO  
SECRETARY

I HEREBY CERTIFY that the within  
document is a true copy of the original  
in the files of the Board of Public  
Utilities

