

NEW JERSEY BOARD OF PUBLIC UTILITIES

Adopted Amendments to the Renewable Portfolio Standards (RPS) Rules

“E-Metering Provisions”

N.J.A.C. 14:8-2.9(d)

Docket No. EX09040330

PUBLIC UTILITIES BOARD OF PUBLIC UTILITIES Renewable Portfolio Standards

Adopted Amendments: N.J.A.C. 14:8-2.9(d)

Proposed: September 8, 2009 at 41 N.J.R. 3206(a).

Adopted: December 1, 2009, by the Board of Public Utilities, Jeanne M. Fox, President, and Frederick F. Butler, Joseph L. Fiordaliso, Nicholas Asselta, and Elizabeth Randall, Commissioners.

Filed: December 8, 2009, as R. 2009 d.____, **without change.**

Authority: N.J.S.A. 48:2-13 and N.J.S.A. 48:3-49 et seq.

BPU Docket Number: EX09040330

Effective Date: January 4, 2010

Expiration Date: April 18, 2011

The New Jersey Board of Public Utilities is herein adopting amendments to the rules governing New Jersey’s renewable energy portfolio standards (RPS) at N.J.A.C. 14:8-2. The New Jersey Electric Discount and Energy Competition Act, N.J.S.A. 48:3-49 et seq. (EDECA), provides the foundation for these standards, authorizing the BPU to adopt, readopt, and amend them. The RPS rules require each electric power supplier and basic generation service provider in New Jersey to ensure that a certain amount of the energy they sell comes from renewable sources. Compliance with the RPS rules can be achieved through the use of renewable energy certificates (“RECs”) or through an alternative compliance payment (“ACP”). The RPS rules provide the requirements by which renewable energy generators can obtain RECs based on energy they generate.

Previously, N.J.A.C. 14:8-2.9(d) stated that renewable energy generators must be interconnected with an electric distribution system that supplies New Jersey in order for the energy to qualify for RECs that can be used to comply with a New Jersey RPS (“New Jersey REC”). The rules provided two exceptions:

- For class I renewable energy other than solar, if the sale of the energy is settled in the PJM wholesale market, the energy is eligible to form the basis for a New Jersey REC.
- For all class I and class II renewable energy, if the Board waives the interconnection requirement by Order.

The Board provided such a waiver through a Board Order dated January 31, 2008, *In the Matter of the Renewable Portfolio Standards – Request for Board Action Regarding Renewable Energy Certificates*, Docket No. EO07110886 (“January 31 Order”). The Board extended that waiver by order dated May 15, 2009, *I/M/O The Renewable Portfolio Standards—Request For Board Action Regarding Renewable Energy Certificates Extension Of Time Period For Satisfying RPS Requirements Through Submitting Affidavit*; Docket No. EO07110886. The waiver will expire on May 31, 2010.

These requirements are aimed at ensuring the accuracy of the generation data upon which RECs used to comply with the RPS rules are based. However, as reflected in the January 31 Order, the Board believes that electronic metering is necessary as an additional alternative for ensuring the accuracy of data from renewable energy generators that are within PJM, but are not interconnected with an electric distribution system that supplies New Jersey. Therefore, the amendments to N.J.A.C. 14:8-2.9(d) provide two additional options to allow such a renewable generator to earn RECs. First, the generator can report its energy output to PJM-EIS electronically at least monthly via a meter that satisfies the requirements of American National Standards Institute (“ANSI”) “Electric Meters Code for Electricity Metering,” C12.1-2008 (as amended or supplemented). The Board recognizes that PJM-EIS currently does not have the capability to directly meter a generator’s energy output, and that many renewable generators within PJM therefore are therefore unable to use this option at this time. Accordingly, the amendments also offer a second option, allowing the renewable generator to report its energy output at least monthly to an electric distribution company which is a member of PJM, via a meter that satisfies the requirements of ANSI “Electric Meters Code for Electricity Metering,” C12.1-2008 (as amended or supplemented). The renewable generator could then earn RECs, provided that the electric distribution company then provides the generator’s report electronically no less frequently than monthly to PJM-EIS.

The Board is aware that confusion has arisen in the past about the relationship between the requirements for an issuance of a REC under N.J.A.C. 14:8-2.9 and the requirements for Class I and Class II renewable energy under N.J.A.C. 14:8-2.7. The Board emphasizes that compliance with the requirements of N.J.A.C. 14:8-2.9 does not relieve a generator from compliance with the requirements of N.J.A.C. 14:8-2.7 for energy to be generated within, or delivered into, the PJM region.

Note: This is a courtesy copy of the adoption. The official version will be published in the New Jersey Register on 4 January 2010. Should there be any discrepancies between this courtesy copy and the official version, the official version will govern.

Federal Standards Statement

Executive Order No. 27 (1994) and N.J.S.A. 52:14B-1 et seq. require State agencies that adopt, readopt or amend State regulations that exceed any Federal standards or requirements to include in the rulemaking document a Federal Standards Analysis. The RPS has no Federal analogue, and is not promulgated under the authority of, or in order to implement, comply with or participate in any program established under Federal law or under a State statute that incorporate or refers to Federal law, Federal standards, or Federal requirements. Accordingly, Executive Order No. 27 (1994) and N.J.S.A. 52:14B-1 et seq. do not require a Federal Standards Analysis for the adoption of these amendments.

Full text of the adopted amendments can be found in the New Jersey Administrative Code at N.J.A.C. 14:8-2.9.