



State of New Jersey
DIVISION OF RATE COUNSEL
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September 14, 2011

By Overnight Delivery Service and Electronic Mail

Michael Winka, Director
Office of Clean Energy
New Jersey Board of Public Utilities
44 South Clinton Avenue, 9th Floor
P.O. Box 350
Trenton, NJ 08625-0350

**Re: New Jersey Clean Energy Program Renewable Energy Committee –
Request for Comments on Staff Solar Transition White Paper**

Dear Mr. Winka:

This letter is submitted on behalf of the New Jersey Division of Rate Counsel (“Rate Counsel”) in response to your e-mail of Friday, September 9, 2011 requesting comments on the attached document entitled “NJBPU Staff White Paper: Next Steps in the Solar Transition – September 9, 2011.” These comments are also being submitted by electronic mail to the Board’s Office of Clean Energy (“OCE”). Rate Counsel requests that the OCE circulate this and all other comments concerning this matter to the Board’s Renewable Energy Committee listserv, and also make all comments available to the public by posting them on the Board’s website.

Rate Counsel acknowledges OCE’s request that comments be submitted “if possible” prior to the meeting scheduled for September 15, 2011 from 1:00 to 5:00 p.m. to discuss “Next Steps in the SREC Transition.” Rate Counsel notes, however, that the request for comments, and the attached “white paper,” were received in the afternoon of Friday, September 9, 2011, less

than three business days prior to the scheduled meeting. Moreover, the “white paper” contains no specific proposals, and insufficient information and data to permit Rate Counsel to submit substantive comments at this time.

Based on a preliminary review of the questions posed by Staff in the “white paper,” Rate Counsel offers the following:


1. Rate Counsel opposes the establishment of a “ floor price” for SRECs.
2. Rate Counsel opposes the proposal to have SREC’s revert to Class I RECs, and any other proposals that would affect the value or liquidity of SRECs.
3. Rate Counsel opposes any extension of the utilities’ SREC financing programs in the absence of a full “contested case” proceeding.

Finally, Rate Counsel re-iterates that the fundamental objective of the Board’s solar energy programs should be regulatory certainty and not market certainty. The Board should be moving toward a market that can operate on its own, not creating a system of guaranteed returns for market participants.

Rate Counsel reserves its right to submit further comment as additional information and data are provided.

Respectfully submitted,

STEFANIE A. BRAND
Director, Division of Rate Counsel

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