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NEW JERSEY BOARD OF PUBLIC UTILITIES

PRESS RELEASE

IMMEDIATE RELEASE

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NJBPU Approves 3,750 MW Successor Solar Incentive Program

*Two-part hybrid incentive prioritizes ratepayer affordability and market health,
includes additional incentive for public entities*

Trenton, NJ—The New Jersey Board of Public Utilities (NJBPU) today voted unanimously to implement a new solar incentive program that will pave the way for up to 3,750 megawatts (MW) of new solar generation by 2026, doubling the state’s solar capacity. The Successor Solar Incentive Program (or “SuSI” Program) is the culmination of a nearly three-year Solar Transition process mandated by the Clean Energy Act of 2018 to replace the State’s Solar Renewable Energy Certificate (SREC) program with new incentives that encourage solar development while minimizing ratepayer cost. Solar energy is expected to generate approximately 10 percent of New Jersey’s total electricity needs once the program is fully implemented.

“In establishing the SuSI Program, we are solidifying New Jersey as a magnet for green jobs and taking yet another step toward Governor Murphy’s goal of 100 percent clean energy by 2050,” said NJBPU President Joseph L. Fiordaliso. “This tremendous action has taken many perspectives into consideration and ensures the solar industry will remain a vibrant part of our clean energy innovation economy while prioritizing long-term affordability for ratepayers.”

The SuSI Program will take effect beginning at 12:00 a.m. E.T. on August 28, 2021, and contains two sub-programs:

1. **The Administratively Determined Incentive (ADI)** - a fixed incentive payment for net metered solar projects of 5 MW or less – including all residential customers and most commercial and industrial buildings – and all community solar installations. The incentive value will vary based on project type and size, and will be guaranteed for a term of 15 years.
2. **The Competitive Solar Incentive (CSI)** - a competitive solicitation designed to incentivize the lowest financial contribution from ratepayers for grid supply projects and net metered commercial and industrial projects larger than 5 MW. The first competitive process is anticipated to launch in early-to-mid 2022, following additional stakeholder engagement throughout this summer and fall.

The SuSI Program’s two-part hybrid market approach is designed to uplift solar market segments through long-term, tailored incentives for a variety of project types, allowing NJBPU to contain program costs and provide financial certainty for market participants. The program will provide one New Jersey Solar Renewable Energy Certificate-II (NJ SREC-II) for every megawatt-hour (MWh) of solar electricity produced by a qualifying facility,

with an additional \$20/MWh adder for public entities – such as school districts, municipalities, and public colleges and universities – as well as a temporary incentive for projects built on contaminated lands.

Incentive levels for the ADI Program, shown below, range from \$70-\$120/SREC-II, providing continued support for solar development in New Jersey while also offering significant savings over the prior SREC value of approximately \$220.

Market Segment	Size (MWdc)	Incentive Value (\$/SREC-II)	Incentive Value for Public Entities (\$/SREC-II)
Net Metered Residential	All types and sizes	\$90	N/A
Small Net Metered Non-Residential on Rooftop, Carport, Canopy and Floating Solar	Projects smaller than 1 MW	\$100	\$120
Large Net Metered Non-Residential on Rooftop, Carport, Canopy and Floating Solar	Projects 1 MW to 5 MW	\$90	\$110
Small Ground Mount Net Metered Non-Residential	Projects smaller than 1 MW	\$85	\$105
Large Ground Mount Net Metered Non-Residential	Projects 1 MW to 5 MW	\$80	\$100
Community Solar Non-LMI	Up to 5 MW	\$70	N/A
Community Solar LMI	Up to 5 MW	\$90	N/A
Interim Subsection (t)	All types and sizes	\$100	N/A

In designing the SuSI Program, NJBPU has relied on extensive modeling and a robust stakeholder engagement process to determine how best to meet the ambitious solar targets identified in Governor Murphy’s [Energy Master Plan](#) and recently codified in the Solar Act of 2021. Currently, NJBPU is evaluating [410 applications](#) for Year 2 of its historic Community Solar Energy Pilot Program, and is examining the potential for dual-use solar facilities sited on agricultural lands pursuant to legislation recently signed by Governor Murphy.

New Jersey is home to 143,555 solar installations totaling 3,655 MW of clean energy. For more information about solar and other renewable energies in New Jersey, visit www.njcleanenergy.com/renewable-energy. For a fact sheet on the SuSI Program, [click here](#).

About the New Jersey Board of Public Utilities (NJBPU)

NJBPU is a state agency and regulatory authority mandated to ensure safe, adequate and proper utility services at reasonable rates for New Jersey customers. Critical services regulated by NJBPU include natural gas, electricity, water, wastewater, telecommunications and cable television. The Board has general oversight and responsibility for monitoring utility service, responding to consumer complaints, and investigating utility accidents. To find out more about NJBPU, visit our website at www.nj.gov/bpu.

About New Jersey’s Clean Energy Program (NJCEP)

NJCEP, established on January 22, 2003, in accordance with the Electric Discount and Energy Competition Act (EDECA), provides financial and other incentives to the State’s residential customers, businesses and schools that install high-efficiency or renewable energy technologies, thereby reducing energy usage, lowering customers’ energy bills and reducing environmental impacts. The program is authorized and overseen by the New Jersey Board of Public Utilities (NJBPU), and its website is www.NJCleanEnergy.com.