



New Jersey Board of Public Utilities

PRESS RELEASE

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NJBPU APPROVES PSE&G SOLAR FINANCING PROPOSAL

Program Will Add 51 MW of Solar Capacity, Maintain New Jersey's Solar Leadership

(NEWARK, NJ) – The New Jersey Board of Public Utilities (BPU) today approved a proposal by PSE&G to provide financing for projects that will generate an additional 51 MW of solar capacity in New Jersey. The proposal, filed in response to a BPU Board Order dated August 7, 2008, will provide for continued growth in the state's solar generating capacity as the state transitions from a rebate-based financing system to a competitive financing system based on Solar Renewable Energy Certificates (SRECs). With today's approval, solar financing programs are now available in all utility service territories for systems up to 500 kW.

“With its strong emphasis on building our renewable capacity, New Jersey's comprehensive Energy Master Plan has spurred development of a growing renewable energy industry in the state while reducing air pollution and our contribution to global warming,” said Jeanne M. Fox, President of the BPU. “The Board's decision to approve PSE&G's financing proposal provides an additional tool for the future growth of New Jersey's solar generating capacity,”

“Today's action by the Board represents a major step in New Jersey's transition from rebates to a market-based incentive program to promote solar energy in New Jersey,” added Commissioner Joseph Fiordaliso, who chaired the hearings on PSE&G's proposal. “It ensures that we will continue to provide the benefits of clean, renewable energy to the state's residents with greater efficiency and minimal impact to ratepayers.”

PSE&G's solar financing program was approved following negotiations between the company, the Board, solar industry representatives, the Department of the Public Advocate and others. The program will provide financing for projects ranging in size from small residential installations to projects with a generating capacity of up to 500 kW. Loan applications will be accepted on a quarterly basis over a two-year period ending December 31, 2011 and the first application period will begin as soon as practicable.

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The Board Order also authorized PSE&G to recoup its costs for the program. The impact on ratepayers is expected to be minimal. The initial increased cost for a typical residential electric customer (defined as one using 722 kW hours per summer month and 6960 kW hours per year) would be an increase of \$0.36 annually, or \$0.03 per month. As currently projected, the maximum rate impact would be in 2012 when the same residential customer is expected to see an increase of \$0.84 annually, or \$0.07 per month.

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About the New Jersey Board of Public Utilities (NJBP):

The New Jersey Board of Public Utilities 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 the NJBP include natural gas, electricity, water, wastewater, telecommunications and cable television. The Board has general oversight responsibility for monitoring utility service, responding to consumer complaints, and investigating utility accidents. To find out more about the NJBP, visit our web site at www.nj.gov/bpu.