Agenda Date: 1/19/11 Agenda Item: 8C



STATE OF NEW JERSEY

Board of Public Utilities Two Gateway Center, Suite 801 Newark, NJ 07102 www.nj.gov/bpu/

CLEAN ENERGY

IN THE MATTER OF CUSTOMER
ON-SITE RENEWABLE ENERGY (CORE)
PROGRAM REBATE APPEAL:
LAI-NO CHIU-SERODIO PINTER LANE,
MONMOUTH JUNCTION, NEW JERSEY

ORDER

DOCKET NO. E008121028

(SERVICE LIST ATTACHED)

)

BY THE BOARD:

BACKGROUND

This matter concerns a petition appealing the denial of an extension of time to complete a residential solar energy system in the now-discontinued Customer On-Site Renewable Energy (CORE) Program. Ms. Lai-No Chiu-Serodio ("Petitioner") requested the extension in order to complete a renewable energy project with a rated capacity of 6.228 kW, which had been approved for a rebate of approximately \$27,091.80.

In November 2007, Petitioner received a rebate commitment letter under the CORE Program for approximately \$27,091.80. Final disbursement of the rebate was conditioned on Petitioner completing the project by August 31, 2008 - nine months from the date on the Approval Letter. Prior to the expiration, on or about July 4, 2008, Petitioner applied for an extension. The Board's Market Manager granted Petitioner an extension until November 30, 2008, pursuant to a Board order permitting a three-month extension to all individuals with rebate commitments expiring in 2008. I/M/O Comprehensive Energy Efficiency and Renewable Energy Resource Analysis for 2005-2008 — Clean Energy: CORE Commitment Completion Timeframe for New Approvals and Existing Commitments — Clarification of Effective Date, Docket No. EX04040276 (July 14, 2008). The Market Manager also advised Petitioner that no additional extensions would be granted.

On or about, November 11, 2008, Petitioner e-mailed the Market Manager to request another extension from the Market Manager. The Market Manager denied the second extension. Petitioner filed the subject appeal on or about December 8, 2008.

Petitioner pursued her appeal by consistently and repeatedly enquiring of various Board Staff and Commissioners as to the status of her petition. She provided information when requested

and continued construction, as her finances and personal circumstances permitted. In e-mail communications with Staff, Petitioner has stated several times that she is in possession of the solar energy equipment, but that her solar installer refuses to perform the installation until Petitioner has a valid rebate commitment.

More than two years have passed since Petitioner filed her appeal. Petitioner could have, but did not, reapply for a new CORE rebate after the original rebate commitment expired. Staff notes that if Petitioner reapplied for a second rebate commitment at any time that NJCEP continued to offer rebates for solar projects, she would have been eligible for another rebate, assuming she had completed her project within the year allowed by that second rebate commitment. NJCEP no longer offers a rebate for solar projects, reflecting changes in the solar marketplace and increases in the market-based incentives available to individuals installing solar energy systems. However, Staff is also mindful of Petitioner's diligent pursuit of her appeal and of her solar project during the intervening time.

Based on these facts, Staff negotiated a new rebate commitment with Petitioner, subject to Board approval, in the amount of \$2.10 per watt for a total of \$13,078.80. Accordingly, Staff recommends the Board to issue a new CORE commitment letter for a rebate of \$13.078.80.

DISCUSSION AND FINDINGS

Petitioner's request for a second extension would require a waiver of the CORE Guidelines. Customer On-site Renewable Energy (CORE) Program Update (Aug. 17, 2006). A request for waiver must be considered under N.J.A.C. 14:1-1.2(b)(1). The Board must determine whether waiver is in accord with the general purpose and intent of its rules, and whether strict compliance with the rules would be adverse to public policy. <u>Ibid.</u>

The Board has reviewed the record and Staff's recommendation. There is no dispute of fact in this case. Petitioner missed the deadline for receiving her originally approved CORE rebate, and the CORE program guidelines prohibit any further extensions for her project. I/M/O Clean Energy Program Customer On-Site Renewable Energy Commitment Completion Timeframe For New Approvals and Existing Commitments, Docket No. EX040276 (April 8, 2008). Petitioner asserted that reasons for the delay include firing her contractor, her solar materials were delivered late, and a change in her finances resulting from divorce. Petitioner also asserts that she is near completion.

Without more, Petitioner's alleged facts would not ordinarily justify waiving program guidelines and granting an extension. The Board has granted second extensions extremely rarely, and only in unusual circumstances. The Board, however, is sensitive to the two years that Petitioner has waited for a ruling on her appeal. During this time she provided progress updates to Staff concerning the solar project and supplied additional information as requested.

Weighing Petitioner's diligent pursuit of her appeal, and the continued solar construction, against the Board's two-year delay in hearing this appeal, the Board <u>FINDS</u> that Staff has recommended an equitable settlement. As such, it is unnecessary to reach the merits of whether to grant Petitioner a second extension.

The rebate level in effect at the time Petitioner's original CORE application was submitted in 2006 was \$4.35 per watt. The Board <u>FINDS</u> that Petitioner missed the deadline for receiving the initial rebate commitment of \$4.35 per watt. The rebate level in effect since that time has declined significantly, reflecting the changes in the solar marketplace and the increase in the

market-based incentives available to those installing solar energy systems. Included among those other incentives are the Solar Renewable Energy Certificates ("SRECs") available for the production of solar energy. The Board <u>FINDS</u> that the successor program to CORE, the Renewable Energy Incentive Program ("REIP"), no longer offers a rebate for solar projects. The Board also <u>FINDS</u> that to provide no rebate would cause an inequitable result if applied to Petitioner.

Based on the facts and circumstances of this matter, the Board <u>CONCLUDES</u> that \$2.10 per watt, as negotiated between Petitioner and Staff, is a reasonable settlement and is consistent with relevant policy considerations. Therefore, the Board <u>HEREBY APPROVES</u> a rebate commitment of \$13,078.80. The Board further <u>DIRECTS</u> the Market Manager to issue a new rebate commitment of \$13,078.80 to Petitioner, to be valid for one year from the date of this Order.

DATED: 1/25/11

BOARD OF PUBLIC UTILITIES

BY:

LEE A. SOLOMON PRESIDENT

NICHOLAS ASSELTA COMMISSIONER

JEANNE M. FOX COMMISSIONER

OSEPH L. FIORDALISO

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

I/M/O THE CUSTOMER ON-SITE RENEWABLE ENERGY (CORE) PROGRAM REBATE APPEAL: LAI-NO CHIU-SERODIO 1 PINTER LANE, MONMOUTH JUNCTION, NEW JERSEY

Docket No. EO08121028

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