



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

CLEAN ENERGY

MODIFICATION OF REBATE COMMITMENT)
EXPIRATION DATES FOR SOLAR PROJECTS)
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)
) DOCKET NO. EO11040232V

Marisa Slaten, DAG, Division of Law, Department of Law and Public Safety, 124 Halsey Street, Newark, New Jersey, 07101, on behalf of the Board of Public Utilities

BY THE BOARD¹:

This Order memorializes the actions taken by the Board of Public Utilities (“Board”) on May 16, 2011 regarding proposed modifications to the Customer On-site Renewable Energy (“CORE”) program and Renewable Energy Incentive Program (REIP) rebate commitment deadlines.

BACKGROUND

This matter relates to rebate commitments made under the CORE and REIP programs, which were designed to support the sustained and orderly development of markets for distributed renewable electric generation in New Jersey. The programs offer financial incentives to New Jersey public utility customers investing in eligible, on-site renewable electricity generation using photovoltaic, wind, biomass, and fuel cell systems. Rebates are offered to make renewable energy investments more cost-effective by offsetting a portion of the initial installation cost as well as a number of market support services, including inspections and the facilitation of registration for renewable energy credits.

Through a series of Orders over the past several years the Board established and modified its policies related to the timeframes for completion of renewable energy projects as well as its policies and standards for extending rebate commitment deadlines. Typically, projects were given 12 months from the date of a rebate approval letter to submit final paperwork showing all program requirements were met. Projects can request first extensions, and for certain projects, second extensions, provided the standards for granting an extension are met.

¹ Commissioner Nicholas Asselta did not participate in this matter.

Applied Energy Group (AEG), in its role as the New Jersey Clean Energy Program (NJCEP) Program Coordinator, provides dispute resolution services. In this role, AEG was contacted by several customers with concerns over finishing their projects prior to their rebate approval deadlines due to delays caused by the severe winter weather. These concerns were raised regarding projects which had received the maximum number of extensions allowable pursuant to the Board's policies. Given the generic nature of the issue, that is, delays caused by the extremely harsh and unusual winter weather or the imminent threat of such weather, AEG proposed, and the OCE concurred, that the OCE would recommend to the Board for consideration a blanket modification of rebate approval deadlines as described more fully below.

OCE Recommendations

The OCE considered two options for resolving these matters. First, require each project requesting a revised rebate approval expiration date to petition the Board for consideration because such extensions require waiver of the program rules. Alternatively, propose to the Board for consideration a blanket modification of the rebate approval expiration date for all projects that expired in early 2011.

Staff was also concerned with the potential administrative burden that would result from having numerous projects petition the Board for consideration of a modification to their rebate approval expiration dates. Further, if the Board were to grant a modification of a rebate approval expiration date to any project due to weather related delays, other similarly situated projects would have a strong argument for similar relief.

Staff announced at both the March and April 2001 meeting of the RE Committee that it supported and would be proposing to the Board a generic modification of the rebate approval deadline due to the harsh winter weather. No objections to this proposal were voiced.

Therefore, and based on the above, the OCE recommends that the Board modify the rebate approval expiration date for any CORE or REIP project with a rebate approval expiration date between December 1, 2010 and May 31, 2011 that is not otherwise eligible for an extension pursuant to existing Board policies. For any CORE or REIP project that expires during this timeframe, Staff proposes that the rebate approval expiration date be modified to July 31, 2011.

Existing rebate approval expiration dates that occur after May 31, 2011, would be considered under existing program rules. This recommendation does not prohibit any project that is otherwise eligible for an extension from proceeding with an extension request pursuant to existing Board policies.

DISCUSSION AND FINDINGS

New Jersey experienced severely harsh winter weather during late 2010 and 2011 that significantly limited opportunities for installing renewable energy systems, particularly rooftop solar systems. The Board **FINDS** that the exceptional winter weather has likely delayed the construction of numerous renewable projects.

The Board also shares the OCE's concern regarding both the time required to process a formal petition and the likelihood that other similarly situated projects may also request similar relief given the generic nature of the impact of the winter weather on project development.

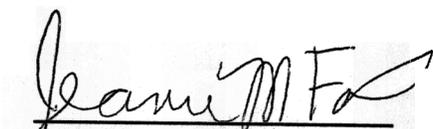
Therefore, the Board **FINDS** that the severe winter weather-related delays have potentially impacted all CORE and REIP projects with an expiration date falling between December 1, 2010 and May 31, 2011 and that an extension of time is appropriate for such projects that are not otherwise eligible for an extension pursuant to existing Board policies.

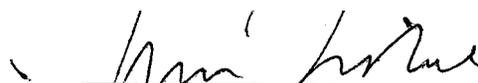
The Board **HEREBY APPROVES** Staff's recommendation set out above. The Board **HEREBY DIRECTS** the OCE to coordinate with the RE Market Manager to adjust rebate approval deadlines as set out above to July 31, 2011, and to provide CORE and REIP projects with notice of the rebate approval deadline modifications approved herein. As the relief herein accorded disposes of any CORE or REIP petitions or appeals seeking an extension due to severe winter weather, the Board **HEREBY DISMISSES** all such petitions and appeals as moot.

DATED: 5/16/11

BOARD OF PUBLIC UTILITIES
BY:


LEE A. SOLOMON
PRESIDENT


JEANNE M. FOX
COMMISSIONER


JOSEPH 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

