Agenda Date: 8/18/11 Agenda Item: 8A



STATE OF NEW JERSEY

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IN THE MATTER OF CUSTOMER ON-SITE RENEWABLE ENERGY (CORE) PROGRAM REBATE APPEAL: DENISE MARCHISOTTO)))	ORDER DOCKET NO. EG09120989
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(SERVICE LIST ATTACHED)

Parties of Record

Denise Marchisotto, Petitioner, 276 Grandview Road, Skillman, New Jersey

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. Denise Marchisotto ("Petitioner") requested the extension in order to complete a renewable energy project with a rated capacity of 3 kW, which had been approved for a rebate of approximately \$11,000.

On July 25, 2008, Petitioner received a rebate commitment letter under the CORE Program for approximately \$11,000. Final disbursement of the rebate was conditioned on Petitioner completing the project by July 25, 2009 - twelve months from the date on the commitment letter. See 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) (allowing twelve months for completion of projects under 10 kW).

On October 23, 2009, program staff for the CORE program informed Petitioner that the rebate had expired. On November 9, 2009, Petitioner's contractor, Geogenix, sent the New Jersey Clean Energy Program's ("NJCEP") Program Coordinator ("Program Coordinator") an email stating that Petitioner's installation had been completed and been inspected prior to the expiration of the twelve-month rebate commitment period and that a clerical error by Geogenix had been the cause of the delay in submitting Petitioner's final application documents. On December 1, 2009, Geogenix submitted the final paperwork.

On December 3, 2009, Petitioner sent an appeal to the Program Coordinator. The Program Coordinator forwarded the appeal to Board staff ("Staff"). In her petition, Petitioner stated that she and her installer had worked on the project for several years and that "a very minor error in

submitting the final application on time" was not a valid reason for denying the rebate. She also alleged that she had renovated her home to bring it up to Energy Star standards.

Petitioner followed up her appeal with calls and emails as to the status of her petition. Her project is complete and has passed local inspections. It is currently operational and generating solar energy. Petitioner submitted a Solar Renewable Energy Credit ("SREC") Registration Program registration (REIPNR-06114) and has been generating SRECS since February 2010.

Approximately eighteen months have passed since Petitioner filed her appeal. Petitioner could have, but did not, reapply for a new rebate under the Renewable Energy Incentive Program ("REIP"), the rebate program which replaced CORE, after the original rebate commitment expired. Staff notes that if Petitioner had applied for a REIP rebate commitment at that time, she would have been eligible for another rebate, assuming she had completed her project within the year allowed by that second rebate commitment. The rebate level in effect since her initial application has declined significantly, 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 successful completion of a project which is now contributing to New Jersey's Renewable Portfolio Standard goals.

Based on these facts, Staff negotiated a new rebate commitment with Petitioner, subject to Board approval, in the amount of \$1.75 per watt for a total of \$5,250. This settlement reflects the rebate level in effect at the time Petitioner's original commitment expired. Accordingly, Staff recommends the Board to issue a new CORE commitment letter for a rebate of \$5,250.

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. <u>I/M/O Clean Energy Program Customer On-Site Renewable Energy Commitment Completion Timeframe For New Approvals and Existing Commitments</u>, Docket No. EX04040276 (April 8, 2008). Petitioner and Geogenix have asserted that a clerical error was the reason for missing the deadline.

Without more, Petitioner's alleged facts would not ordinarily justify waiving program guidelines and granting an extension. The Board has rarely granted second extensions, and only in unusual circumstances. The Board, however, is sensitive to the year and a half that Petitioner

¹ The Board closed the CORE program to new private sector solar applications on December 20, 2007 and closed the CORE program to all public sector solar applications as of April 1, 2008. In the Matter of a Request to Suspend the Acceptance and Processing of New Solar Applications in New Jersey's Customer On-Site Renewable Energy (CORE) Rebate Program, Docket No. EO07100773 (Dec. 20, 2007) ("December 20th Order"). Honeywell's 2009 compliance filing, which was approved by the Board in its 2009 Budget Order, also included a budget and program description for the Renewable Energy Program: Customer Sited (now called the Renewable Energy Incentive Program ("REIP")). I/M/O Comprehensive Energy Efficiency and Renewable Energy Resource Analysis for 2009-2012; 2009 Programs and Budgets: Compliance Filings, Dkt No. EO07030203 (January 8, 2009) (2009 Budget Order).

has waited for a ruling on her appeal. During this time she demonstrated an ongoing concern with her appeal and commitment to solar energy.

Weighing Petitioner's pursuit of her appeal, and her successful fulfillment of all program requirements but the submittal of final paperwork, against the Board's eighteen-month delay in hearing this appeal, the Board FINDS 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 \$3.70 per watt. The Board FINDS that Petitioner missed the deadline for receiving the initial rebate commitment of \$3.70 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 FINDS that at the time Petitioner's rebate commitment expired, the Renewable Energy Incentive Program offered a rebate of \$1.75/watt if energy efficiency measures had been installed.

Based on the facts and circumstances of this matter, the Board CONCLUDES that \$1.75 per watt, as negotiated between Petitioner and Staff, is a reasonable settlement and is consistent with relevant policy considerations. Therefore, the Board HEREBY APPROVES a rebate commitment of \$5,250. The Board further DIRECTS the Market Manager to issue rebate of \$5,250 to Petitioner, provided all other program requirements have been met.

BOARD OF PUBLIC UTILITIES

BY.

LEE A. SOLOMON

PRESIDENT

NNE M. FOX

OMMISSIONER

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COMMISSIONER

ATTES

ACTING SECRETARY

I HEREBY CERTIFY that the within document is a true copy of the original in the files of the Board of Public

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I/M/O THE CUSTOMER ON-SITE RENEWABLE ENERGY (CORE) PROGRAM REBATE APPEAL: DENISE MARCHISOTTO

Docket No. EG09120989

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