

Ágenda Date: 9/27/19 Agenda Item: 8D

STATE OF NEW JERSEY Board of Public Utilities 44 South Clinton Avenue, 9th Floor Post Office Box 350 Trenton, New Jersey 08625-0350 www.nj.gov/bpu/

CLEAN ENERGY

ORDER

IN THE MATTER OF THE PETITION OF JJU SOLAR HOLDINGS, LLC (UNIVERSAL SUPPLY 25.2 KW) FOR AN EXTENSION OF SOLAR RENEWABLE ENERGY CERTIFICATE (SREC) PURCHASE AND SALE AGREEMENT WITH ATLANTIC CITY ELECTRIC COMPANY ("ACE")

DOCKET NO. QO19070837

Parties of Record:

Stefanie A. Brand, Esq., Director, New Jersey Division of Rate Counsel Laurie Masson, Infiniti Energy Services Philip Passanante, Esg., Atlantic City Electric Company

BY THE BOARD:

In this Order, the New Jersey Board of Public Utilities ("Board") considers the petition of Infiniti Energy Services ("Infiniti" or "Petitioner") on behalf of its customer JJU Solar Holdings¹ ("JJU"). Petitioner seeks an extension of time to complete a solar energy project ("Project") under JJU's Solar Renewable Energy Certificate ("SREC") long-term financing contract with Atlantic City Electric Company ("ACE").

On or about October 15, 2018, as a winning bidder in ACE's SREC II financing program,² JJU entered into an SREC Purchase and Sale Agreement ("PSA") with ACE for the SRECs from a 25.2 kw dc solar project ("Project").³ The Project is to be located on the roof of a commercial property at 582 S Egg Harbor Road, Hammonton, New Jersey ("Site") and is intended to be net metered.

¹ JJU Solar Holding LLC is the SREC Owner for a solar project bid into the EDC SREC II program by the petitioner and project developer Infinity Energy Services LLC proposed to be located at Universal Supply, commercial property owned by United Realty.

² The second Electric Distribution Company ("EDC") SREC-based financing program ("SREC II") was approved by the Board by Order dated December 18, 2013 in Docket Number EO12090799.

³ There is also a petition regarding an extension of the PSA for a 28.08 kw Universal Supply project that is being considered by the Board Docket Number QO19070838.

JJU Solar had received an SREC Registration Program ("SRP") Registration Acceptance letter with a commitment length of 12 months on June 21, 2018. On June 11, 2019, the SRP Manager granted JJU a six month completion deadline extension to December 21, 2019. The SREC PSA executed with ACE had a construction completion deadline of April 15, 2019. On April 2, 2019, JJU requested and on April 8, 2015 received a three month extension of the SREC PSA with ACE to July 15, 2019.

In support of its request for second extension of its PSA, Infiniti avers that on December 4, 2018, it received a letter from ACE regarding the proposal to interconnect solar electric generation facilities totaling 280 kw dc that required a reduction in total capacity from 280 kw dc of total capacity to 50 kw dc for engineering reasons. As a result, the five initial projects were reduced to two and each of the remaining projects had to be redesigned to meet ACE interconnection standards for the circuit. Additionally, Infiniti, stated they had not realized that the SRP extension granted in June did not automatically extend the PSA with ACE when they began construction on July 15, 2019. This petition was filed one week later.⁴

Petitioner states that project construction has been completed; that the site has passed the Authority Having Jurisdiction ("AHJ") inspections; and that Petitioner received a Certificate of Approval from the municipality on August 20, 2019. Infiniti states that it is finalizing as-built drawings and once completed will submit the PTO application to ACE by the end of August. Infiniti respectfully requests extensions to October 15, 2019 in order to submit all necessary SRP as-built and PTO documentation to the SRP Team.

In a letter to Board Staff dated July 17, 2019, ACE has reviewed the petitioner's extension request and does not oppose the additional extension to complete this project.

DISCUSSION AND FINDINGS

In addressing Petitioner's request for an extension of time to complete pursuant to its SREC financing contract with ACE, the Board looks to its previous rulings under the SREC financing program. In reviewing such requests, the Board has looked first at whether the applicant could document significant progress toward completion of the project, and, second, whether the delay was unavoidable and unforeseeable at the time of the execution of the PSA. <u>I/M/O Smart Energy Capital, LLC. – Extension Request for SREC Purchase Sale Agreement with JCP&L, BPU Dkt. No. EO12010081V, Order dated February 10, 2012; <u>I/M/O Nautilus SWBOE – Extension Request for Solar Renewable Energy Certificate (SREC) Purchase Sale Agreement with JCP&L, 15, 2015; <u>I/M/O Formosa Plastics, U.S.A. - Verified Petition For Emergent Relief To Extend</u> Construction Deadline, BPU Dkt. No. QO19040444, Order dated June 12, 2019.</u></u>

Applying the standard to the matters at hand, the Board notes that according to the petition, the DC portion of the installation has been completed and the AC portion is underway. In addition, the two sites have passed AHJ inspections and have received Certificates of Approval from the municipality. Moreover, Infiniti states that it is finalizing as-built drawings at the time of drafting the Petition and that the PTO applications have been submitted to ACE at the end of August 2019. The Board <u>FINDS</u> that Petitioner has demonstrated significant progress toward completion.

⁴ The Petition was filed on July 22, 2019.

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Turning to the second prong of the analysis, the Board looks at whether the cause of the delay was unavoidable and unforeseeable at the time JJU executed the PSA on October 15, 2018. The Board notes that Petitioner did not learn of the need to reduce the number and size of its projects until almost two months after it had signed the PSA. Petitioner was also obliged to redesign the two remaining systems including the subject to this petition as a result of the engineering concerns raised by ACE. The Board <u>FINDS</u> that the delays caused by the ACE interconnection approval process were unavoidable and unforeseeable at the time Petitioner entered into its PSA with ACE. The Board therefore <u>CONCLUDES</u> that Petitioner has met the Board's criteria for granting an extension and <u>GRANTS</u> Petitioner's request for a three month extension from the expiration of the current extension to complete the Project.

The effective date of this Order is October 7, 2019.

DATED: 9/2-1/19 BOARD OF PUBLIC UTILITIES BY: 1 L. FIORDALISO RESIDENT

MARY ANNA HOLDEN

UPENDRA J. CHIVUKULA COMMISSIONER

OMON

COMMISSIONER

ROBERT M. GORDON COMMISSIONER

ATTEST:

AIDA CAMACHO SECRETARY

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

IN THE MATTER OF JJU SOLAR HOLDINGS, LLC - VERIFIED PETITION FOR EMERGENT RELIEF TO EXTEND CONSTRUCTION DEADLINE DOCKET NO. Q019070837

SERVICE LIST

Philip Passanante, Esq. Atlantic Electric Company 500 N. Wakefield Drive P.O. Box 6066 Newark, DE 19714-6066 philip.passanante@pepcoholdings.com

Joe Umosella JJU Solar Holdings, LLC 45 Mill Street Mays Landing, NJ 08330 Joe-umosella@intexmillwork.com

Laurie Masson Infiniti Energy Services 2885 Route 9 N Howell, NJ 07731 Laurie.Masson@infinitienergyservices.net

Emma Yao Xiao, Esq. Department of Law & Public Safety Division of Law 124 Halsey Street Post Office Box 45029 Newark, NJ 07101-45029 emma.xiao@law.njoag.gov

Caroline Vachier, Esq. Department of Law & Public Safety Division of Law 124 Halsey Street Post Office Box 45029 Newark, NJ 07101-45029 caroline.vachier@law.njoag.gov

Pamela Owens, Esq. Department of Law & Public Safety Division of Law 124 Halsey Street Post Office Box 45029 Newark, NJ 07101-45029 pamela.owens@law.njoag.gov Stefanie A. Brand, Esq., Director Division of Rate Counsel 140 East Front Street, 4th Floor Post Office Box 003 Trenton, NJ 08625-0003 sbrand@rpa.nj.gov

Board of Public Utilities 44 South Clinton Avenue, 9th Floor Post Office Box 350 Trenton, NJ 08625-0350

Paul Flanagan, Esq. Executive Director Paul flanagan@bpu.ni.gov

Aida Camacho-Welch, Secretary Aida.camacho@bpu.nj.gov

Clean Energy

Sara Gibson-Bluhm, Director sara.bluhm@bpu.nj.gov

Kelly Mooij kelly.mooij@bpu.nj.gov

Scott Hunter benjamin.hunter@bpu.nj.gov

Ronald Jackson Ronald jackson@bpu.nj.gov

Counsel's Office

Rachel Boylan Rachel.boylan@bpu.nj.gov