

STATE OF NEW JERSEY

Board of Public Utilities 44 South Clinton Avenue, 1st Floor Trenton, New Jersey 08625-0350 www.nj.gov/bpu/

CLEAN ENERGY

IN THE MATTER OF P.L. 2023, C.158, AN ACT THAT) EXTENDS DEADLINES, UNDER CERTAIN) CIRCUMSTANCES, FOR COMPLETION AND) COMMERCIAL OPERATION OF CERTAIN SOLAR)	ORDER ADDRESSING CERTIFICATION OF TOLLING EVENTS		
ELECTRIC POWER GENERATION FACILITIES NOTIFICATION AND CERTIFICATION OF TOLLING EVENT AND AGREEMENT PROCESSING BY PJM INTERCONNECTION LLC ("PJM")	DOCKET NO. QO24010016		
HAMMS LANDFILL SOLAR FARM, LLC – SOLAR ACT) SUBSECTION (T), BLOCK 14, LOT 33.01	DOCKET NO. QO21050795		
OXFORD MILL SOLAR FARM APPLICATION FOR SUBSECTION (T) SOLAR ACT, BLOCK 33, LOT 4.02 AND 4.03	DOCKET NO. QO21050858		
SOUTHERN OCEAN WARETOWN SOLAR FARM, LLC – SUBSECTION (T), BLOCK 6, LOTS 4.04 & 4.05; BLOCK 7, LOTS 1.01, 2, 3, 5 & 6.01	DOCKET NO. QO20100660		
PORT BELFORD SOLAR FARM – SUBSECTION (T) SOLAR ACT APPLICATION, BLOCK 306, LOT 66, BELFORD LANDFILL MIDDLETOWN TOWNSHIP, MONMOUTH COUNTY	DOCKET NO. QO21081092		
CEP RENEWABLES VINELAND NEWFIELD SOLAR) FARM LLC)	DOCKET NO. QO21081091		
CHANGEWATER SOLAR FARM – SUBSECTION (T) SOLAR ACT APPLICATION, BLOCK 82, LOT 16, 180 E. ASBURY-ANDERSON ROAD, WASHINGTON TOWNSHIP, WARREN COUNTY	DOCKET NO. QO21081093		
CEP RENEWABLES HERITAGE SOLAR FARM LLC.)	DOCKET NO. QO21081096		

Parties of Record:

Brian O. Lipman, Esq., Director, New Jersey Division of Rate Counsel **Steven P. Gouin, Esq,** Giordano, Halleran & Ciesla, P.C., on behalf of CEP Renewables, LLC

BY THE BOARD:

On January 4, 2024, CEP Renewables, LLC ("CEP") filed a Notification and Certification of Tolling Events ("Certification") with the New Jersey Board of Public Utilities ("Board" or "BPU"). CEP sought a two (2) year extension of deadlines for completion and commercial operation of seven (7) solar electric power generation facilities in the Transition Incentive ("TI") Program pursuant to P.L. 2023, c.158. The seven (7) projects have received conditional certification for eligibility to generate Transition Renewable Energy Certificates ("TRECs") prior to the enactment of P.L. 2023, c.158 and had been directed by the Board to complete construction within 30 months of project registration in accordance with N.J.A.C. 14:8-10.4(f)(4)(ii)(3), as modified by the TI Extension Order. In this Order, the Board confirms a two (2) year extension of these seven (7) projects.

BACKGROUND

On July 23, 2012, the Solar Act was signed into law.² The Solar Act amended certain aspects of the statute governing generation, interconnection, and financing of renewable energy. Subsection (t) of the Solar Act provides that:

No more than 180 days after [July 23, 2012], the board shall, in consultation with the Department of Environmental Protection and the New Jersey Economic Development Authority, and, after notice and opportunity for public comment and public hearing, complete a proceeding to establish a program to provide SRECs to owners of solar electric power generation facility projects certified by the board, in consultation with the Department of Environmental Protection, as being located on a brownfield, on an area of historic fill or on a properly closed sanitary landfill facility. . . . Projects certified under this subsection shall be considered "connected to the distribution system" [and] shall not require such designation by the board[.]³

The Solar Act defines the terms "brownfield," "area of historic fill," and "properly closed sanitary landfill facility." A "brownfield" is "any former or current commercial or industrial site that is currently vacant or underutilized and on which there has been, or there is suspected to have been, a discharge of a contaminant." "Historic fill" is "generally large volumes of non-indigenous material, no matter what date they were placed on the site, used to raise the topographic elevation

¹ In re a New Jersey Solar Transition Pursuant to P.L.2018, c.17, Order Granting up to 12-Month Extension for Projects Seeking an Incentive Pursuant to Subsection (t) in the Solar Transition Incentive Program, BPU Docket No. QO19010068, Order dated August 17, 2022, ("TI Extension Order").

² L. 2012 c.24

³ N.J.S.A. 48:3-87(t).

⁴ N.J.S.A. 48:3-51.

of a site " A "properly closed sanitary landfill facility" means "a sanitary landfill facility, or a portion of a sanitary landfill facility, for which performance is complete with respect to all activities associated with the design, installation, purchase, or construction of all measures, structures, or equipment required by the Department of Environmental Protection " 6

By Order dated October 10, 2012, the Board directed Board Staff ("Staff") to initiate proceedings and convene a public stakeholder process to fulfill the directives of the Solar Act.7 Toward implementing the October 10, 2012 Order, Staff met with staff of the New Jersey Economic Development Authority and the New Jersey Department of Environmental Protection ("NJDEP"). By Order dated January 24, 2013, the Board approved Staff's proposed process for certifying solar generation projects as being located on brownfields, areas of historic fill, and properly closed sanitary landfill facilities. 8 The process incorporated the expertise of NJDEP to confirm a potential project's land use classification for eligibility and to account for the state of remediation of the project site. The January 24, 2013 Order states that conditional certification may be granted for projects located on sites which NJDEP has determined require further remedial action or, in the case of properly closed sanitary landfill facilities, additional protective measures, and full certification may be granted for projects located on sites for which NJDEP has determined no further remedial or protective action is necessary. Certification would be limited to those areas delineated by NJDEP. In compliance with this directive, applicants are required to delineate the precise section(s) of the location where the solar facility is proposed to be sited, and NJDEP reviews this material in making its recommendation.

On May 23, 2018, Governor Murphy signed <u>L.</u> 2018, <u>c.</u> 17, codified at N.J.S.A. 48:3-51 to -87 into law ("Clean Energy Act" or "CEA"), effective immediately. The CEA effected many changes to the legal and regulatory framework for solar development, including directing the closure of the Solar Renewable Energy Certificate ("SREC") program by no later than June 2021.

On December 6, 2019, the Board established the TI Program to provide a bridge between the legacy SREC program and a Successor Incentive program in an orderly and efficient manner. The TI Program provides eligible projects with TRECs for each megawatt hour of electricity

⁵ Ibid.

⁶ Ibid.

⁷ In re the Implementation of L. 2012, c. 24, The Solar Act of 2012; In re the Implementation of L.2012, c. 24, N.J.S.A 48:3-87(d)(3)(b) – A Proceeding to Investigate Approaches to Mitigate Solar Development Volatility; In re the Implementation of L. 2012, c. 24, N.J.S.A 48:3-87(e)(4) – Net Metering Aggregation Standards; In re the Implementation of L. 2012, c. 24, N.J.S.A 48:3-87(q), (r) and (s) – Proceedings to Establish the Processes for Designating Certain Grid-Supply Projects as Connected to the Distribution System; In re the Implementation of L. 2012, c.24, N.J.S.A 48:3-87(t) – A Proceeding to Establish a Program to Provide Solar Renewable Energy Certificates to Certified Brownfield, Historic Fill and Landfill Facilities; and In re the Implementation of L. 2012, c. 24, N.J.S.A 48:3-87(w) – A Proceeding to Consider the Need for a Program to Provide a Financial Incentive to Supplement Solar Renewable Energy Certificates for Net Metered Projects Greater than Three Megawatts; 2012 N.J. PUC LEXIS 286 (Oct. 10, 2012).

⁸ In re the Implementation of L. 2012, c. 24, The Solar Act of 2012; In re the Implementation of L. 2012, c. 24, N.J.S.A 48:3-87(t) – A Proceeding to Establish a Program to Provide SRECS to Certified Brownfield, Historic Fill and Landfill Facilities; and In re the Implementation of L. 2012, c. 24, N.J.S.A 48:3-87(u) – A Proceeding to Establish a Registration Program for Solar Power Generation Facilities, 2013 N.J. PUC LEXIS 27, Order dated January 24, 2013 ("January 24, 2013 Order").

⁹ In re a New Jersey Solar Transition Pursuant to P.L. 2018 c. 17, BPU Docket No. QO19010068, Order dated December 6, 2019 ("December 2019 Order").

produced. Incentives are tailored to specific project types by the use of factors, which are applied to a base incentive rate to provide a particular project type with the full incentive amount or a set percentage of that amount depending on the costs and anticipated revenue streams for the project type. Projects certified pursuant to Subsection (t) receive a factor of 1.0 and thus the full amount of the base incentive.

At a Special Agenda Meeting held on April 27, 2020, the Board approved a TI rule proposal that codified this treatment at N.J.A.C. 14:8-10, which was published on May 18, 2020. On September 10, 2020, the Board adopted the rule proposal, and the rules became effective on October 5, 2020 when published in the New Jersey Register. The rule provides that the transition incentive "shall be available to projects that submitted a complete SREC Registration Program registration or a complete Subsection (t) application after October 29, 2018" (emphasis added) but that have not received a Permission to Operate at the time that the 5.1% Milestone is achieved. The rule also incorporates the eligibility requirements enumerated at N.J.S.A. 48:3-87(t) and the Board's Implementing Orders, and requires developers seeking eligibility for TRECs to use the same application process developed for SREC eligibility. Moreover, the TI rules require compliance with all rules and regulations of the SRP at N.J.A.C. 14:8-2.4.

On August 17, 2022, the Board provided the opportunity for a conditional extension of the TI deadline to Subsection (t) projects registered in the TI Program or with applications pending review with NJDEP. The Board waived its rules and modified prior orders to allow up to a 12-month extension to all Subsection (t) solar projects with current registrations as well as those that receive conditional certification by the Board in the future, provided these projects can meet specified criteria. In addition, the Board granted the same relief to Subsection (t) applicants with applications pending review at the Board or NJDEP that received conditional certification. The pending applicants thus received an automatic additional six (6) months to the registration expiration date that would otherwise be set in the Board order granting the project's conditional certification pursuant to N.J.A.C. 14:8-10.4(e) or (f), as well as the ability to seek an additional six (6) months should they meet the criteria specified in the TI Extension Order.

On September 12, 2023, Governor Murphy signed P.L. 2023 c.158, N.J.S.A. 48:3-121 ("Act") into law, effective immediately. The Act provides for a two-year extension of time for completion and commercial operation of qualified solar electric generation facilities that "received by Board order conditional certification to participate in a solar incentive program pursuant to subsection t. of section 38 of P.L. 1999, c.23 (C.48:3-87)" but that would not meet their set deadline date due to a tolling event. A "tolling event" is defined as "any action or inaction of the PJM Interconnection, L.L.C., any moratorium in new applications declared by the PJM Interconnection, L.L.C., any

¹⁰ In re a Rulemaking Proceeding to Amend the Renewable Portfolio Standard Rules and Create New Rules Establishing a Transition Incentive Program Pursuant to P.L. 2018, c.17, BPU Docket No. QX20030253.

¹¹ 52 N.J.R. 1048(a) (May 18, 2020).

¹² 52. N.J.R. 1850(a) (October 5, 2020).

¹³ N.J.A.C. 14:8-10.4(a).

¹⁴ N.J.A.C. 14:8-10.4(h).

¹⁵ N.J.A.C. 14:8-10.4(i).

¹⁶ In re a New Jersey Solar Transition Pursuant to P.L. 2018, c. 17, Order Granting an up to 12-Month Extension for Projects Seeking an Incentive Pursuant to Subsection (t) in the Solar Transition Incentive Program BPU Docket No. QO19010068, Order dated August 17, 2022 ("TI Extension Order").

deferral in processing of existing applications by the PJM Interconnection, L.L.C., any new application process, study, report or analysis established by the PJM Interconnection, L.L.C., to approve and contract a project, the deferral to negotiate, execute, and deliver any other engineering or other studies, agreements, or approvals required by the PJM Interconnection, L.L.C., as a prerequisite to project interconnection or commercial operation of a qualified solar electric power generation facility." N.J.S.A. 48:3-121(f). The Act specifies that the two-year extension shall be "beyond what otherwise would be the deadline for the qualified solar electric power generation facility to achieve commercial operation pursuant to the applicable board order granting conditional certification." N.J.S.A. 48:3-121(a). To obtain the extension, the person or entity pursuing the development of a qualified solar electric power generation facility, defined in the Act as the Project Sponsor, must certify in writing to the Board describing the tolling event, the date of application to PJM Interconnection, L.L.C. ("PJM"), and the duration of the delay associated with the tolling. N.J.S.A. 48:3-121(b)(1). Additionally, pursuant to N.J.S.A. 48:3-121(b)(2), the Board shall issue an unconditional order approving the automatic extension of the project deadline date or commercial operation deadline date established for the facility, whether established by law, rule, regulation, board order, incentive program registration acceptance letter, or other approval or authorization for that facility.

On January 4, 2024, CEP submitted a request for certification for the following solar electric generation facilities that had received conditional certification in the TI Program pursuant to Subsection (t):¹⁷

- a. Hamms Landfill Solar Farm, LLC. BPU Docket Number QO21050795. Board Order granting conditional certification dated April 19, 2023; project deadline date established by the incentive program registration acceptance letter, November 5, 2025.
- b. Oxford Textile Solar Farm, LLC. BPU Docket Number QO21050858. Board Order granting conditional certification dated March 13, 2023; project deadline date established by the incentive program registration acceptance letter, November 11, 2025.
- c. Southern Ocean Landfill Solar Farm, LLC. BPU Docket Number QO20100660. Board Order granting conditional certification dated June 14, 2023; project deadline date established by the incentive program registration acceptance letter, March 1, 2026.
- d. Belford Landfill Solar Farm, LLC. BPU Docket Number QO21081092. Board Order granting conditional certification dated April 19, 2023; project deadline date established by the incentive program registration acceptance letter, November 5, 2025.
- e. Vineland Newfield Solar Farm, LLC. BPU Docket Number QO21081091. Board Order granting conditional certification dated December 14, 2022; project deadline date established by the incentive program registration acceptance letter, August 2, 2025.
- f. Changewater Solar Farm, LLC. BPU Docket Number QO21081093. Board Order granting conditional certification dated November 16, 2022¹⁸; project deadline date established by the incentive program registration acceptance letter, June 8, 2025.

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¹⁷ Project information also provided in Appendix A.

¹⁸ The Order conditionally certifying Changewater Solar Farm and Vineland Newfield Solar Farm provided only 24 months to the projects and not the additional six (6) months provided by the TI Extension Order. The Vineland Newfield Solar Farm's project registration acceptance letter included the additional six (6) months in the project deadline, however, the Changewater Solar Farm project registration acceptance letter did not. However, the additional six (6) months are now reflected in the Changewater Solar Farm's project deadline date given above.

g. Heritage Solar Farm, LLC. BPU Docket Number QO21081096. Board Order granting conditional certification dated January 18, 2023; project deadline date established by the incentive program registration acceptance letter, August 9, 2025.

CEP stated that each project meets the requirements for certification as set forth in the Act for a two (2)-year extension of time to complete construction and commercial operation. According to CEP, each project was subject to a "tolling event" as defined in the Act. CEP asserted that each project experienced "substantial delays in processing the submitted applications for interconnection due to PJM's queue reform process," and that based on publicly available information these projects will not achieve final interconnection agreements until "at earliest, June 2025, and for most projects, September 2026." Certification at Par. 25. Finally, CEP states that the 2-year extension should run from "the later to occur of (i) the expiration of the 30-month construction period set forth in each project's Board Order or (ii) the expiration of the additional 6-month extension for which each project is eligible" pursuant to the August 17, 2022 Order. Certification at Par. 30.

DECISION AND FINDINGS

As noted above, the Certification has been filed with the Board pursuant to the Act. The Act provides that upon receipt of a certification of the tolling event, the Board shall "issue an unconditional order approving an automatic extension of the project deadline date or commercial operation deadline date established for the facility, whether established by law, rule, regulation, board order, incentive program registration acceptance letter, or other approval or authorization for that facility." The order shall be issued on a non-discretionary basis, with no factual investigation or hearing by the board, and shall extend the previously established project completion or commercial operation deadline date for the facility by an amount of time coextensive with the duration of the tolling event. N.J.S.A. 48:3-121(b)(2).

After consideration of the information provided by CEP, the Board <u>HEREBY FINDS</u> CEP's certification of each of seven eligible solar electric generation facilities to be in accordance with the requirements set forth in P.L. 2023 c.158, and <u>ACCEPTS</u> the Certification in full satisfaction of the requirements set forth in the Act. Accordingly, by operation of the Act, the deadline for each of the seven solar electric generation facilities is extended by two (2) years from the project deadline dates, as reflected above. With respect to the projects of Changewater Solar Farm, LLC and Vineland Newfield Solar Farm, LLC, the Board <u>HEREBY CONFIRMS</u> that these projects are subject to the TI Extension Order and received 30 months pursuant to that Order to achieve commercial operation.

Pursuant to the terms of the Act, CEP has a continuing obligation to apprise the Board regarding the nature and extent of the tolling event and its anticipated duration. N.J.S.A. 48:3-121(c). The Board **ORDERS** CEP to submit a quarterly milestone reporting form for each of the seven (7) facilities that has received an extension through this Order.

This Order shall be effective on March 27, 2024.

DATED: March 20, 2024

BOARD OF PUBLIC UTILITIES

BY:

GUHL-SADOVY

PRESIDENT

DR. ZENON CHRISTODOULOU

COMMISSIONER

COMMISSIONER

MICHAEL BANGE COMMISSIONER

ATTEST:

SHERRI L. GOLDEN

SECRETARY

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

IN THE MATTER OF P.L. 2023, C.158, AN ACT THAT EXTENDS DEADLINES, UNDER CERTAIN CIRCUMSTANCES, FOR COMPLETION AND COMMERCIAL OPERATION OF CERTAIN SOLAR ELECTRIC POWER GENERATION FACILITIES NOTIFICATION AND CERTIFICATION OF TOLLING EVENT AND AGREEMENT PROCESSING BY PJM INTERCONNECTION LLC ("PJM")

HAMMS LANDFILL SOLAR FARM, LLC - SOLAR ACT SUBSECTION (T), BLOCK 14, LOT 33.01

OXFORD MILL SOLAR FARM APPLICATION FOR SUBSECTION (T) SOLAR ACT, BLOCK 33, LOT 4.02 AND 4.03

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DOCKET NOS. QO24010016, QO21050795, QO21050858, QO201000660, QO21081092, QO21081091, QO21081093, QO21081096

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Appendix A

Docket No.	Name	Capacity (MW)	Conditional Certification Date (by Board Order)	Project Expiration Date	Date of application to PJM	PJM Queue Number	Project Phase
	Hamms Landfill Solar						Feasibility Study in
QO21050795	Farm, LLC	9.845	19-Apr-23	5-Nov-25	26-Feb-21	AG2-177	Progress
	Oxford Textile Solar						Feasibility Study in
QO21050858	Farm, LLC	24.0552	13-Mar-23	11-Nov-25	31-Mar-21	AG2-599	Progress
	Southern Ocean						
	Landfill Solar Farm,						Impact Study in
QO20100660	LLC	18.7776	14-Jun-23	1-Mar-26	17-Sep-20	AG1-189	Progress
	Belford Landfill Solar						Feasibility Study in
QO21081092	Farm, LLC	26.496	19-Apr-23	5-Nov-25	10-Sep-21	AH1-258	Progress
	Vineland Newfield						Feasibility Study in
QO21081091	Solar Farm, LLC	23.9	14-Dec-22	2-Aug-25	9-Sep-21	AH1-274	Progress
	Changewater Solar						Feasibility Study in
QO21081093	Farm, LLC	54.816	16-Nov-22	8-Jun-25*	9-Sep-21	AH1-290	Progress
	Heritage Solar Farm,						Feasibility Study in
QO21081096	LLC	27.4176	18-Jan-23	9-Aug-25	10-Sep-21	AH1-334	Progress

^{*} The Order conditionally certifying Changewater Solar Farm provided twenty-four (24) months to that project and the project's registration acceptance letter references that time span. The additional six (6) months provided by the TI Extension Order are now reflected in the project deadline date given above.