



Agenda Date: 7/16/25

Agenda Item: 8G

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 THE COMPETITIVE SOLAR
INCENTIVE ("CSI") PROGRAM PURSUANT TO P.L.
2021, C. 169

) EXTENSION OF THE THIRD
) SOLICITATION OF THE CSI
) PROGRAM

) DOCKET NO. QO21101186
)

Party of Record:

Brian O. Lipman, Esq., Director, New Jersey Division of Rate Counsel

BY THE BOARD:

By Order dated April 23, 2025, the New Jersey Board of Public Utilities ("Board") opened the third solicitation of the Competitive Solar Incentive ("CSI") Program.¹ The CSI Program is open to qualifying grid supply solar facilities, eligible grid supply solar installations in combination with energy storage, and non-residential net metered solar facilities with a capacity greater than five (5) megawatts ("MW"). In the April 23 Order, the Board set the prequalification window for the third solicitation to open on May 14, 2025, and to close to bids on July 23, 2025, at 11:59:59 PM EST. Through this Order, the Board extends the solicitation window for the third solicitation until September 30, 2025.

BACKGROUND

On June 9, 2021, Governor Murphy signed into law the Solar Act of 2021 ("Solar Act" or "Act").² The Act directed the Board to establish a program to incent the development of 3,750 MW of new solar power generation by 2026, through the mechanism of Solar Renewable Energy Certificates ("SREC-IIs").³ SREC-IIs represent the value of the environmental attributes of electricity produced by the solar electric power generation facility. The Act directed the Board to create both

¹ In re Competitive Solar Incentive ("CSI") Program Pursuant to P.L. 2021, c.169 - Order on Price Cap Determination for the Third Solicitation of the CSI Program, BPU Docket No. QO21101186, Order dated April 23, 2025 ("April 23 Order").

² L. 2021, c. 169.

³ This target reflects both New Jersey's 2019 Energy Master Plan and Governor Murphy's goal of achieving 100% clean energy by 2035. See 2019 New Jersey Energy Master Plan: Pathway to 2050, nj.gov, https://nj.gov/emp/docs/pdf/2020_NJBPU_EMP.pdf

a solar facilities program for smaller projects with administratively set incentive values, and a competitive solicitation process for awarding contracts to grid supply solar facilities and net metered solar facilities greater than five (5) MW.

By Order dated July 28, 2021, the Board launched the Successor Solar Incentive (“SuSI”) Program.⁴ The SuSI Program is divided into two (2) components: the Administratively Determined Incentive (“ADI”) Program and the CSI Program.⁵ The ADI Program opened to new registrants on August 28, 2021, and the Board established the CSI Program by Order dated December 7, 2022. The CSI Program fulfills the statutory requirement for a competitive procurement program for grid supply and larger net metered solar facilities.⁶ Rules establishing the CSI Program and codifying the accompanying siting criteria were published in the New Jersey Register on December 18, 2023.⁷ The Board adopted amendments to these rules on January 21, 2025.⁸

The CSI Program awards SREC-IIs through a competitive solicitation with five (5) separate market categories, or tranches:

- Tranche 1: Basic Grid Supply
- Tranche 2: Grid Supply on the Built Environment
- Tranche 3: Grid Supply on Contaminated Sites and Landfills⁹
- Tranche 4: Net Metered Non-residential Projects above five (5) MW
- Tranche 5: Energy Storage Paired with Grid Supply Solar

For each solicitation, the Board sets the solicitation window during which projects must prequalify by providing evidence that they meet maturity requirements and specific tranche eligibility criteria; applications are administratively reviewed by the solicitation manager. Prequalified CSI projects submit a bid for an SREC-II award in their tranche, specified in dollars per MWh (“\$/MWh”) of solar electricity production; the solicitation manager subsequently evaluates projects exclusively on bid price. In the April 23 Order, the Board set the prequalification window for the third solicitation to open on May 14, 2025, and to close to bids on July 23, 2025, at 11:59:59 PM EST.¹⁰

On August 16, 2022, the Inflation Reduction Act (“IRA”) was signed into law.¹¹ The IRA expanded the Investment Tax Credit (“ITC”) for clean energy projects from 2022 through 2032 as a thirty percent (30%) credit for qualified expenditures. The IRA transitioned the ITC and associated Production Tax Credit (“PTC”) to a technology-neutral credit for facilities placed in service after

⁴ In re a Solar Successor Incentive Program Pursuant to P.L. 2018, c.17, BPU Docket No. QO20020184, Order dated July 28, 2021.

⁵ Ibid.

⁶ CSI Order.

⁷ 55 N.J.R. 2555(a).

⁸ 57 N.J.R. 200(b).

⁹ A “contaminated site and landfill” means (1) any currently contaminated portion of a property on which industrial or commercial operations were conducted and a discharge occurred, and its associated disturbed areas, where “discharge” means the same as the term is defined in section 23 of P.L.1993, c.139 (C.58:10B-1); or (2) a properly closed sanitary landfill facility and its associated disturbed areas. N.J.S.A. 48:3-51.

¹⁰ April 23 Order.

¹¹ Pub. L. No. 117-169, H.R. 5376, 117th Cong. (2021-2022)

December 31, 2024; energy storage projects were also eligible for the ITC under this transition. These tax credits were codified at Sections 45Y and 48E of the United States tax code.¹²

On July 4, 2025, the Act to Provide for Reconciliation Pursuant to Title II of H. Con. Res. 14 (“H.R.1”) was signed into law.¹³ H.R.1 directs the phase out of Sections 45Y and 48E on an accelerated timeline, such that wind and solar projects that begin within twelve (12) months of the enactment of H.R.1 are eligible for the tax credit without a “placed in service” deadline while projects that begin construction after twelve (12) months must be placed in service by December 31, 2027 to be eligible.

On July 7, 2025, Executive Order (“EO”) 14315, “Ending market distorting subsidies for unreliable, foreign controlled energy sources” was issued.¹⁴ EO 14315 directs the Secretary of the Treasury of the United States to issue guidance within 45 days on the termination of tax credits for wind and solar renewable energy generation facilities, including clarification of safe harbor and “beginning of construction” guidance, as well as implementation of H.R.1 Foreign Entity of Concern restrictions for renewable energy projects.

DISCUSSION AND FINDINGS

The competitive solicitation structure of the CSI Program aims to ensure that projects are awarded at the lowest cost to New Jersey ratepayers, with incentive values reflective of current market conditions and suitable to provide a long-term, guaranteed incentive for developer investment. In the April 23 Order setting the solicitation window for the third CSI Program solicitation, the Board recognized that high market volatility and uncertainty, including the reduction or loss of the ITC, could impact financial considerations for these large-scale projects. As neither H.R.1 nor EO 14315 were enacted at that time, the current solicitation deadline of July 23, 2025, should be extended to allow for proper consideration of the U.S. Treasury guidance on tax credit elimination to be published within 45 days of the EO release date. The Board considers that participants in the third CSI Solicitation deserve and require additional time to consider Federal guidance as it is issued, and to submit bids informed by policies impacting solar and energy storage project planning. The Board **FINDS** that CSI Program applicants may need to revise the bids that they have submitted and that the current solicitation deadline does not provide these applicants or other potential CSI Program applicants with the opportunity to access complete information on changes to federal taxation policies that may impact their bid. The Board **ORDERS** that applicants that have submitted a bid fee shall not be required to submit a second bid fee with a revised application unless the project size changes. The applicant shall be responsible for the bid fee amount associated with any increase in project size. The Board **HEREBY EXTENDS** the prequalification window for the third solicitation of the CSI Program to September 30, 2025, and **DIRECTS** that the third CSI Program solicitation shall close to bids at 11:59:59 PM EST on that date.

¹² 26 U.S. Code § 45Y; 26 U.S. Code § 48E

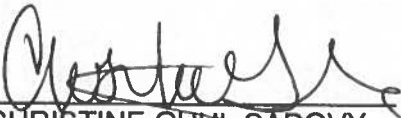
¹³ Pub. L. No. 119-21, H.R. 1, 119th Cong. (2025)

¹⁴ Exec. Order No. 14315, 90 FR 30821 (2025).

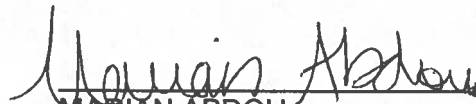
The effective date of this Order is July 23, 2025.

DATED: July 16, 2025

BOARD OF PUBLIC UTILITIES
BY:


CHRISTINE GUHL SADOVY
PRESIDENT


DR. ZENON CHRISTODOULOU
COMMISSIONER


MARIAN ABDOU
COMMISSIONER


MICHAEL BANGE
COMMISSIONER

ATTEST: 
SHERRI L. LEWIS
BOARD 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 THE COMPETITIVE SOLAR INCENTIVE ("CSI") PROGRAM PURSUANT TO P.L. 2021, C.
169 – EXTENSION OF THE THIRD SOLICITATION OF THE CSI PROGRAM

DOCKET NO. QO21101186

SERVICE LIST

New Jersey Division of Rate Counsel

140 East Front Street, 4th Floor
Trenton, NJ 08625-0003

Brian O. Lipman, Esq., Director
blipman@rpa.nj.gov

Maura Caroselli, Esq.
Manager of Gas & Clean Energy
mcaroselli@rpa.nj.gov

Megan Lupo, Esq.
mlupo@rpa.nj.gov

Robert Glover, Esq.
rglover@rpa.nj.gov

Carlena Morrison
cmorrison@rpa.nj.gov

New Jersey Division of Law

R.J. Hughes Justice Complex
Public Utilities Section
25 Market Street, P.O. Box 112
Trenton, NJ 08625

Daren Eppley, Section Chief, DAG
daren.eppley@law.njoag.gov

Pamela Owen, Assistant Section Chief, DAG
pamela.owen@law.njoag.gov

Matko Ilic, DAG
Matko.ilic@law.njoag.gov

David Apy, Assistant Attorney General
david.apy@law.njoag.gov

New Jersey State Agriculture Development Committee

P.O. Box 330
Trenton, NJ 08625

Steven Bruder
steven.bruder@ag.nj.gov

New Jersey Farm Bureau

168 West State Street
Trenton, NJ 08608

Alan Carter, President
allenc@njfb.org

New Jersey Board of Public Utilities

44 South Clinton Avenue, 1st Floor
Trenton, NJ 08625-0350

Sherri L. Lewis, Secretary
board.secretary@bpu.nj.gov

Bob Brabston, Esq., Executive Director
robert.brabston@bpu.nj.gov

Stacy Peterson, Deputy Executive Director
stacy.peterson@bpu.nj.gov

Taryn Boland, Chief of Staff
taryn.boland@bpu.nj.gov

Henry Gajda, Chief of External Affairs
henry.gajda@bpu.nj.gov

General Counsel's Office

Colin Emerle, Deputy General Counsel
colin.emerle@bpu.nj.gov

Elspeth Faiman Hans, Deputy General Counsel
elspeth.hans@bpu.nj.gov

Rachel Boylan, Legal Specialist
rachel.boyland@bpu.nj.gov

Office of the Economist

Dr. Ben Witherell, Chief Economist
benjamin.witherell@bpu.nj.gov

NJBPU, cont'd

Division of Clean Energy

Veronique Oomen, Director
veronique.oomen@bpu.nj.gov

Sawyer Morgan, Research Scientist
sawyer.morgan@bpu.nj.gov

Diane M. Watson, Research Scientist
diane.watson@bpu.nj.gov

Laura Scatena, Research Scientist
laura.scatena@bpu.nj.gov

Earl Thomas Pierce, Administrative Analyst
earl.pierce@bpu.nj.gov

Natalie Stuart, Research Scientist
natalie.stuart@bpu.nj.gov

Florence Dou, Eagleton Science Fellow
florence.dou@bpu.nj.gov