

# STATE OF NEW JERSEY BOARD OF PUBLIC UTILITIES

IN THE MAT	TER OF THE VERIFIED PETITION OF	
TRINITY SO	LAR INC.	DOCKET NUMBER:
ADMINISTRA PROGRAM R FACILITY LC	VAL OF A WAIVER OF THE ATIVELY DETERMINED INCENTIVE RULES WITH RESPECT TO THE SOLAR OCATED AT 22 MOUNTAIN TOP VOODLAND PARK, NEW JERSEY 07424	TOWNDER.

### **PETITION**

TRINITY SOLAR INC. ("Trinity" or "Trinity Solar"), by and through its undersigned in-house counsel, hereby submits this Verified Petition to the New Jersey Board of Public Utilities (the "Board") for the following relief:

1. Trinity Solar petitions the Board for a waiver of the Administratively Determined Incentive ("ADI") Program rules to allow the solar facility installed at 22 Mountain Top Terrace, Woodland, Park, New Jersey 07424, under ADI Registration Number NJADRE1547872981 (hereinafter, the "System"), to be increased by more than 10%; i.e., from 12.92-kilowatts ("kW") (dc) to 14.28kW (dc).



2. This Petition is being submitted in accordance with the authority contained in the correspondence sent by the New Jersey Clean Energy Program to Trinity Solar on April 6, 2022. **See Exhibit A.** 

## **BACKGROUND FACTS**

- 3. Trinity Solar was established in 1994 as a domestic corporation under the former name "Trinity Heating & Air, Inc. d/b/a Trinity Solar."
- 4. Trinity Solar maintains its current principal place of business at 2211 Allenwood Road, Wall, New Jersey 07719.
- 5. Trinity Solar maintains all required licenses in order to sell, design, and install solar photovoltaic systems in the State of New Jersey.
- 6. Trinity Solar currently employs approximately 2,000 employees across 9 States, with the largest amount of its employees being employed in the State of New Jersey.
- 7. To date, Trinity Solar has installed over 75,000 solar photovoltaic systems in the United States.

# THE SYSTEM

8. On or about July 14, 2021, Trinity Solar customer Frankie Chow entered into a Solar Energy System Purchase "Contract" with Trinity Solar for the installation of a 12.92 kw (dc) residential roof-mounted solar photovoltaic





system at the property located at 22 Mountain Top Terrace, Woodland Park, New Jersey 07424 (hereinafter, the "Chow Property").

- 9. The July 14, 2021 Contract stated that the System would be comprised of (in part) 38 solar modules.
- 10.On or about October 21, 2021, Trinity Solar submitted an ADI Registration Form (for the System at the Chow Property) to the Clean Energy Program in accordance with the New Jersey Clean Energy Successor Solar Incentive Program and the ADI Program. See Exhibit B.
- 11. On or about December 30, 2021, the New Jersey Clean Energy Program advised that the System at the Chow Property was conditionally accepted into the ADI Program within New Jersey's Successor Solar Incentive Program, and was assigned Registration Number NJADRE1547872981. See Exhibit C.
- 12. The final acceptance of the initial registration of the System at the Chow Property was conditioned on completing the solar installation and commencing commercial operation on or before the expiration date of December 30, 2022. See id.
- 13. After the installation of the System was completed, four (4) solar modules were added to the System to allow for additional electricity production to benefit Mr. Chow and his household (for a total of 42 solar modules).



- 14. The 4-module addition increased the size of the System at the Chow Property from 12.92 kW(dc) to 14.28 kW (dc).
- 15. The percentage increase between 12.92 kw (dc) and 14.28 kw (dc) is 10.52%, or, an additional 1.36 kw (dc).
- 16.Prior to the 4-panel increase, the System was estimated to produce approximately 11,841 kWh per year. With the 4-panel increase, the System is estimated to produce approximately 13,714 kWh.
- 17.On or about February 1, 2022, Trinity Solar submitted a "Final As-Built Technical Worksheet" in accordance with the ADI Program, which notified the Clean Energy Program that the System size was now 14.28 kw (dc).
- 18.On or about February 7, 2022, Mr. Chow signed an Addendum to the Solar Energy Purchase "Contract", agreeing to the 14.28 kW System.
- 19.On or about April 6, 2022, Trinity Solar was notified that the 14.28 kw System increased more than the 10% increase allowable by the ADI Program rules, but, in turn, allowed Trinity to submit a Petition seeking a waiver of the ADI Program rules. See Exhibit A.

# RELIEF REQUESTED

20. Trinity Solar respectfully submits that good cause exists to allow a greater-than-10% increase in the solar facility located at the Chow Property.



For other jurisdictions, please visit: http://www.trinity-solar.com/about-us/locations-and-licenses

- 21.In accordance with N.J.A.C. § 14:1-1.2(b), "[i]n special cases, upon a showing of good cause the [B]oard may relax or permit deviations from the rule." The applicable rules goes on to explain that "the Board shall, in accordance with the general purpose and intent of the rules, waive section(s) of the rule if full compliance with the rule(s) would adversely affect ratepayers, hinders safe, adequate and proper service, or is in the interest of the general public." N.J.A.C. § 14:1-1.2(b)(1).
- 22. At issue here is Trinity Solar's request for a 10.52% (1.36 kw(dc)) increase of the System's size, juxtaposed against N.J.A.C. § 14:8-11.5(k), which allows for a post-conditional acceptance "increase of up to 10 percent or 25 kWdc . . . in the solar electric generating facility's generating capacity."
- 23. While a permissible increase is permitted by N.J.A.C. §14:8-11.5(k), the same section also states that no ADI-eligible facility will be permitted an increased in generative capacity that would expand the project beyond five (5) MWdc.
- 24. Therefore, the applicable Administrative Code section suggests that System size increases beyond the 10% / 25kWdc level (such as the System at issue here) can be tolerated and accepted for solar facilities enrolled in the ADI Program, so long as the facilities do not approach an increase by 5MWdc.
- 25. When the applicable Administrative Code section was announced, multiple entities expressed concerns regarding the potential increase in solar facility



sizes beyond the original application size, including, but not limited to, uncertainty and volatility in the planning and budgeting process, and a potential exceedance of the cost caps and the RPS. See 54 N.J.R. 371 (Feb. 22, 2022) (Exhibit D).

26. The Board was not persuaded by those concerns, and responded as follows:

RESPONSE TO COMMENTS 18 AND 19: The Board's experience in administering the solar programs shows that solar projects are often constructed at sizes that are slightly different than indicated in the project's initial application. Often, these small changes are made to reduce the cost or difficulty in constructing the project, adjust for changes in equipment based on availability, or reduce the impact of the project on the electrical grid, and, therefore, should be encouraged. The Board does not anticipate that many projects will make use of the flexibility provided at N.J.A.C. 14:8-11.5(k) and, thus, does not believe that it will lead to the uncertainty feared by the commenters. The Board also notes that an increase of capacity capped at 25 kWdc is relatively modest in the context of projects that may be as large as five MW. Such minor capacity adjustments have historically been permitted in the SRP and TI Program, in recognition that the final installed solar system may not be exactly identical to the plans presented in the initial registration. Additionally, the Board will close the registration window for a market segment when registrations to that market segment reach the annual capacity allocation. The Board notes that, historically, a certain percentage of registered projects fail to reach commercial operation. The Board expects that the amount of capacity decrease resulting from projects that have registered, but fail to reach commercial operation, will likely be significantly larger than the capacity increase resulting from projects that exercise the option to increase by the maximum allowable 25 kW. In the event that increases in size become common enough to risk increased uncertainty, the Board may revisit this provision and/or the megawatt blocks.

27. Here, good cause exists for the Board to allow the addition of 4 solar modules at the Chow Property because such addition falls within the "minor capacity adjustment[s]" historically permitted by the Board, to wit: 1.36 kilowatts, which does not remotely come close to the statutory cap of 5 megawatts.



For other jurisdictions, please visit: http://www.trinity-solar.com/about-us/locations-and-licenses

- 28. The increase in the System's size (between the originally-submitted application and the current System size) is not only modest, but it can be better characterized as *de minimis*. Based on the Board's comments regarding this Administrative Code section, an increase of 25kW in the context of a 5MW solar facility is not concerning. By that same logic, a mere 1.36 kw increase in the context of a 14.28 kw solar facility should not be concerning.
- 29. More importantly, the 4-module increase would only benefit Mr. Chow to allow him to produce greater amounts of clean energy, and will further Governor Phil Murphy's goal of reducing greenhouse gas emissions by 50% by year 2030.
- 30. Contrariwise, denying this Petition would adversely affect Mr. Chow by not allowing him the ability to utilize greater amounts of clean energy in accordance with the State's goal of reducing greenhouse gas emissions.
- 31. For the reasons stated herein, Trinity Solar respectfully requests that the Board issue an Order waiving the ADI Program rules to allow the System to be increased by 10.52% from 12.92 kW(dc) to 14.28 kW (dc).



Respectfully Submitted,

TRINITY SOLAR INC

Joshua S. Fischer, Esq. (058422013)

Associate General Counsel

732-780-3779, ext. 9436

josh.fischer@trinity-solar.com

DATED: April 28,2022

# STATE OF NEW JERSEY BOARD OF PUBLIC UTILITIES

IN THE MATTER OF THE VERIFIED PETITION OF

TRINITY SOLAR INC.

DOCKET
NUMBER:

FOR APPROVAL OF A WAIVER OF THE
ADMINISTRATIVELY DETERMINED INCENTIVE
PROGRAM RULES WITH RESPECT TO THE SOLAR
FACILITY LOCATED AT 22 MOUNTAIN TOP
TERRACE, WOODLAND PARK, NEW JERSEY 07424

# <u>CERTIFICATION OF VERIFICATION</u> <u>BY TRINITY SOLAR INC.</u>

Rachel Madison, of full age and upon her oath, deposes and says:

- 1. I am the New Jersey Operations Manager at Trinity Solar Inc., a Petitioner named in the foregoing Verified Petition, and am duly authorized to make this statement on its behalf.
- 2. I have read the contents of the foregoing Verified Petition, and hereby verify that the statements of fact and other information contained therein that are relevant to Trinity Solar are true and correct to the best of my knowledge and belief.

plachel madison

Rachel Madison

DATED: 4/28/2022

# **SERVICE LIST**

**Board of Public Utilities** 

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**Borough of Woodland Park** 

Sandra M. Olivola Borough Clerk solivola@wpnj.us ADI Registration - Increase System Size

# donotreply@programprocessing.com < donotreply@programprocessing.com >

Wed 4/6/2022 3:33 PM

To: NJ State Apps <stateapps.nj@trinity-solar.com>



Apr-6 2022

ADI Registration Number: NJADRE1547872981

NOTICE: ADI Registration -Increase System Size

FRANKIE CHOW
22 MOUNTAIN TOP TERRACE
WOODLAND PARK, NJ 07424

Dear FRANKIE CHOW:

This email is to inform you that we have received and reviewed your Administratively Determined Incentive (ADI) Program Final As-Built packet for NJADRE1547872981. The size of the solar facility reflected in the initial ADI Registration packet and noted in the ADI Conditional Acceptance letter was a 12.92 kW(dc) solar system. The Final As- Built documents submitted and equipment specifications entered on the final technical worksheet and in the ADI online portal, show an increased system size of 14.28 kW (dc).

Solar facilities participating in the ADI Program are not permitted to increase the system size by more than, the lessor of, 10% or 25 kW (dc) from the original system size requested in the initial ADI Registration packet and conditionally accepted in the ADI Program. The increased system size of 14.28 kW (dc) installed at this site exceeds the 10% allowed.

The Board Order dated July 28, 2021, states the following:

After submittal of an initial registration package, the **Board ORDERS** that projects shall be allowed to increase the project's generating capacity by up to 10 percent or 25 kW dc, whichever is less, contingent on notifying the ADI Program registration manager following the instructions provided on the NJCEP website. Projects are not permitted to increase their generating capacity by more than 10 percent or 25 kW dc nor exceed the ADI Program MW size limit for the given market segment assigned in the project's conditional registration.

This above program requirement for the Successor Solar Incentive (SuSI) Program can be found in the https://outlook.office.com/mail/deeplink?Print

Board rules at N.J.A.C. 14:8-11.5(k) which is posted on the <u>Solar Proceedings</u> page of the <u>NJCleanergy.com</u> website.

Additionally, the Board Order states:

The **Board ORDERS** that projects seeking eligibility in the ADI Program are required to submit a complete ADI Program registration package and receive a notice of conditional registration prior to beginning construction on the facility.

This above program requirement may also be found in the Board's rules at N.J.A.C. 14:8-11.4(b).

#### You now have two options:

- 1) Remove the number of solar panels required to decrease the size of the system to comply with the Board's rules, as not to exceed 10% from the original system size of 12.92 kW (dc).
- 2) Submit a <u>petition</u> to the New Jersey Board of Public Utilities (NJBPU) requesting a waiver of the ADI Program rules to i) allow the 14.28 kW (dc) solar facility that exceeds the 10%, to participate in the ADI Program and re-register with the larger system size. ii) Request that the Board waive the above-quoted eligibility requirement that requires that an ADI Registration packet be submitted and issued a conditional acceptance letter prior to the start of construction. The permission to operate for this solar facility is dated 01/27/2022, which will be prior to the date you re-register for the larger system.

The new registration will have no reference to this registration and will receive a new project number, acceptance date and expiration date.

If the capacity cap for this market segment has been reached, you will no longer be eligible to submit a registration in this capacity block and will be required to wait until the next capacity block is opened to new registrations. You can find a table on the homepage of the **ADI portal** to track available capacity for each market segment

If you have any questions, please contact us at njreinfo@njcleanenergy.com.

Sincerely,

Successor Solar Incentive Program
Administratively Determined Incentive Program
New Jersey's Clean Energy Program TM c/o TRC
317 George Street, Suite #520 New Brunswick, NJ 08901

CC: FRANKIE CHOW William Condit

This email has been scanned for spam and viruses by Proofpoint Essentials. Click <u>here</u> to report this email as spam.





# Successor Solar Incentive (SuSI)Program

# Administratively Determined Incentive (ADI) Program

**ADI Registration Certification Form** 

A: Premise Contact and System Location	(Where will the system be installed?)			
Company Name (if applicable):	Name: Chow errace			
B: Primary Contact (SREC-II Owner) (Who	will be issued the NJ Certification Numb	per?) FILL OUT IF DIFFERENT PERSON THAN ABOVE		
Company Name: Same as Premise Contact Address: City: Email:	Contact Person: State: Z			
C: Solar Installer/ Developer				
Company Name: _Trinity Solar Inc. Address: _2211 Allenwood Road City: _Wall Email: _applications.nj@trinity-solar.com	Contact Person: William State: NJ			
D: Certification and Signatures				
The undersigned warrants, certifies, and repression knowledge; 2) for all behind-the-meter systems host's historic annual electrical usage; 3) the Installed Premise Contact; 4) the system proposed wellaws, and all NJBPU policies and procedures for 6) the Premise Contact gives permission to the installation and subsequent to installation; 7) a Open Public Records Act (OPRA); 8) the Installe	s, the annual output of the above described staller/Developer will provide manuals related in the ADI program; 5) the Premise Contact is ADI Processing Team, if necessary, to review ill signing parties realize that certain informative processing Team, if necessary, to review ill signing parties realize that certain informative processing to the certain informative with this registration is accurate, and the call Worksheet Instructions page; and 10) The lar system is not a co-located system and instruction Page; Section C #4. In the disclosures made or given relating to the electronic signatures appearing on this deat handwritten signature. A signature verifically. The information, statements, and doc	e system technical specifications to the Premise the system installation will follow the instructions are signatures below will act as a self-does not fall under the definition of co-dis document may be created, executed, ocument and any related documents shall cation sheet must be submitted with this uments I have provided in and with this		
Signature: Frankie Chow Print Name: Frankie Chow Date: October 19, 2021	Solar Installer/Developer  Signature: W.W. Corbt  Print Name: William Condit  10/19/21	Premise Contact (If different from Primary Contact) Signature: Print Name: Date:		

# RE: NJ ADI Registration Number NJADRE1547872981 - Conditional Acceptance

donotreply@programprocessing.com < donotreply@programprocessing.com >

Thu 12/30/2021 10:33 AM

To: NJ State Apps <stateapps.nj@trinity-solar.com>



Dec-30 2021

FRANKIE CHOW 22 MOUNTAIN TOP TERRACE WOODLAND PARK, NJ 07424

ADI Project Number NJADRE1547872981 - Conditional Acceptance

Dear FRANKIE CHOW:

We are pleased to inform you the above solar project has been conditionally accepted in the Administratively Determined Incentive Program within New Jersey's Successor Solar Incentive Program and has been assigned a Registration Number NJADRE1547872981. The project has been conditionally accepted with a 12.92 **kW (DC)** solar electric system. The final acceptance of this initial registration is conditioned on completing the solar installation and commencing commercial operation on or before the expiration date of **12/30/2022**.

Pursuant to the Clean Energy Act of 2018 (L. 2018, c.17) and the Solar Act of 2021 (L. 2021, c. 169), the New Jersey Board of Public Utilities (NJBPU) has established a new Successor Solar Incentive Program (SuSI) by Board Order dated July 28, 2021. The SuSI Program replaces the SREC Registration Program (SRP), which was closed to new registration on April 30, 2020, and the Transition Incentive Program (TI), which provided a bridge between the Legacy SRP and the Successor Solar Incentive Program. The SuSI Program provides incentives to eligible solar facilities to enable the continued efficient and orderly development of solar electric generating sources throughout the State. The SuSI Program is comprised of two sub-programs: the Administratively Determined Incentive Program (ADI) and the Competitive Solar Program (CSI). The ADI Program opened to new registrations on August 28, 2021.

Your ADI Registration packet provided us with the following information regarding your solar project:

ADI Registration Number	NJADRE1547872981	Installation Address	22 MOUNTAIN TOP TERRACE WOODLAND PARK, NJ 07424
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Premi	se Contact	FRANKIE CHOW	System Size (kW dc)	12.92	
Prima	ry Contact	ED ANIKIE GLIGIN	Manhat Comment	Net Metered	
(SREC	-II Owner)	FRANKIE CHOW	Market Segment	Residential	

Note: This letter is addressed to the Primary Contact (SREC-II ) Owner), the Premise Contact, and the Solar Installer listed in the ADI Registration Certification form signed by the Primary Contact.

[1] This is a standard form letter intended to cover many cases. You should read it carefully for those provisions applicable to your own project but be aware that all the provisions may not be applicable.

The date of your project's conditional acceptance is 12/30/2021. You may now begin construction of your solar facility.

You must receive permission to operate from the relevant Electric Distribution Company (EDC), submit a complete Final As-Built Package (Post Construction Certification) and meet all other program requirements on or before the project's expiration date noted in this acceptance letter. If a complete Final As-Built Package with permission to operate is not submitted on or before the expiration date, the registration will be canceled. If the registration is canceled, you will be required to re-start the entire registration process by submitting a new initial registration package which will have no reference to the above registration. If the solar system is issued permission to operate from the EDC prior to resubmitting a new registration, you will be required to petition the NJBPU for approval to participate in the ADI Program. NOTE: If at the time you submit the new registration, the capacity cap for this market segment has been reached, you will no longer be eligible to submit a new registration in this capacity block and will be required to wait until the next capacity block is opened to submit a new registration.

Once the Final As -Built packet is deemed complete, you may be randomly selected for an on-site program inspection or selected for an inspection waiver. If you are selected for a waiver of inspection, you will receive a waiver letter via email. If you are selected for an on-site inspection, you will be contacted to schedule an on-site visit by a Program Representative.

Upon satisfactory completion of all ADI program requirements, the owner of the SREC-IIs will be issued an NJ SREC-II Certification Number and instructions regarding how to register the solar PV generating system in the Generation Attribute Tracking System at PJM-EIS LLC. The NJ SREC-II Certification Number is a distinct number that is assigned based on the solar installation market segment that is associated with the eligible incentive level. For additional information on Market Segments, Capacity Blocks and Incentives see ADI Guidelines and Clarification below.

More detailed information regarding the ADI Program can be found on the NJCEP website and on the ADI Program Online Portal homepage. In addition, certain additional explanations, caveats, clarifications, and conditions are set forth under the ADI Guidelines and Clarification section below.

If you have questions or concerns about your ADI Registration, please feel free to contact us at njreinfo@njcleanenergy.com.

Thank you for participating in the Administratively Determined Incentive Program.

Successor Solar Incentive (SuSI) Program

Administratively Determined Incentive (ADI) Program New Jersey Clean Energy Program c/o TRC 317 George Street, Suite #520 New Brunswick, NJ 08901

CC: FRANKIE CHOW William Condit

#### **ADI Guidelines and Clarifications**

#### Special Reporting Required for Net Metered Projects 1 MW or larger

For net metered projects 1 MW or larger, Quarterly Milestone reports must be submitted to the ADI Processing Team within two weeks of the quarters ending on March 31, June 30, September 30 and December 31. If there is a change to the ownership of the SREC-IIs from the initial ADI Registration, this change should be noted on the ADI Milestone Reporting Form and a copy of the newly executed contract reflecting the new SREC-II owner and a revised ADI Registration Certification Form should be included with the Milestone Reporting form, for the next quarterly submission. Quarterly reports can be submitted in the online portal or via email to

[mailto:njreinfo@njcleanenergy.com%20.]njreinfo@njcleanenergy.com. The Milestone Reporting Form and instructions on how to submit this form can be found at www.njcleanenergy.com.

#### Revenue Grade Meter Requirements

All solar energy systems eligible to earn SREC-IIs must report system production based upon readings from a revenue-grade meter that meets the American National Standards Institute (ANSI) Standard C12.1-2008. This meter is in addition to the electric meter installed by the local utility to measure the home or business' electric consumption. The approved list of revenue grade meters accepted in TI can be found at solar production meters.

#### SREC-II Eligibility for Adding Capacity to an Existing Solar System

If you are adding capacity to a previously installed system that participated in the SREC Registration Program, Transition Incentive Program, or any previous NJ solar program where the solar system was eligible for SRECs (Solar Renewable Energy Certificates) or TRECs (Transition Renewable Energy Certificates), you are required to install a new revenue grade meter for the added capacity.

#### **Co-Locating Systems**

Co-location is not permitted in the ADI Program, unless granted special dispensation by the Board. Co-location is defined as siting two or more SuSI-eligible solar facilities on the same property or on contiguous properties such that the individual facilities are eligible for a higher incentive value than they would be if they combined into one single facility. In the case of net metered projects, ADI eligible solar facilities shall not be deemed co-located if they serve separate net metering customers as set forth at N.J.A.C. 14:8-4. If the review of the Post Construction Certification (Final As-Built) packet or project inspection reveal that the registrant failed to disclose co-located solar facilities, the Board may take enforcement action, including but not limited to adjusting the incentive downward by multiplying the aggregated project size by the lowest incentive level among the projects' qualifying market segments.

#### **Interconnection and Authorization to Energize Requirements**

This acceptance letter does not constitute a determination of eligibility to interconnect the project to the distribution system in New Jersey. Net metered project owners or their developers must follow the Net Metering and Interconnection process required by New Jersey law at N.J.A.C. 14:8-4.1 through 14:8-5.9 and facilitated by their EDC. The ADI Processing Team does not review the estimated system production and historical onsite consumption for projects to determine eligibility for net metering purposes. Registrants must obtain the required approval from their EDCs, or they may be at risk of proceeding with a project that the EDC refuses to interconnect based on its review of the system

output and historical consumption. Among other things, on-site load must be at least equal to project generation before a net-metered system may be energized or final program acceptance issued

Registrants must also obtain permission to operate for their interconnected system from their EDC. The Final As-Built Checklist requires, among other things, proof that the relevant EDC has approved the interconnection with the EDC's Electrical Distribution System (i.e., grid) and issued a Notice of Authorization to Energize. The facility must receive permission to operate from the relevant EDC and submit a complete Final As- Built (Post-Construction Certification) packet as defined at N.J.A.C. 14:8-11.5(j)) prior to the expiration date indicated in this notice of conditional registration.

### ADI Guidelines and Clarifications (cont.)

#### **Increases and Decreases**

If, after submittal of an initial ADI Registration packet, an increase of up to 10 percent or 25 kW (dc), whichever is smaller, in the solar electric generating facility's generating capacity is planned, the registrant is required to notified NJBPU at oce@bpu.nj.gov and the ADI Processing Team at NJREINFO@NJCleanEnergy.com. An ADI solar facility cannot increase the system's capacity that would expand the project beyond 5 MW (dc).

#### **Extensions**

The ADI Program allows for one, 6-month extension. Extension requests must be submitted in the ADI online portal on or before the expiration date noted in this acceptance letter. Requests will be reviewed and considered on a case-by-case basis. Timely and consistent submissions of the Milestone Reporting Form will be considered when making a determination on any extension requests. ADI does not allow for a second extension. To request a second extension, a petition must be submitted to the NJBPU. You can find more information on the ADI Extension Policy at njcleanenergy.com.

#### New Jersey Solar Renewable Energy Certificates-II (SREC-IIs)

Once a qualified solar project is interconnected with the Electric Distribution System in New Jersey and is authorized to be energized by the EDC, the system is able to produce electricity and is eligible to begin earning SREC-IIs. One SREC-II is earned each time a project generates 1,000 kilowatt-hours (kWh) of electricity.

#### **Capacity Blocks**

The ADI Program will accept new registration packages for a given market segment until the capacity block for that market segment is fully subscribed. When the capacity block for a given market segment is reached, the ADI registration portal will stop accepting new registrations for that market segment. New registrations will be accepted in the ADI registration portal when the next capacity block opens. Capacity Blocks will be set annually by the Board.

A capacity block is defined as being fully subscribed when the last registration received in the ADI registration portal causes the total capacity of all registrations in that block to exceed the capacity allocated for the block. Registrations will be reviewed on a first come, first serve basis and the capacity for each application under the status of ADI Registration Received will be counted toward the block of the relevant market segment.

Market Segments	System Size	MW (dc) Capacity Blocks EY 2022
Net-Metered Residential	All Sizes	150 MW
Net Metered Non-Residential	All Sizes at or below 5 MW (dc)	150 MW
Community Solar including LMI and Non-LMI	All Sizes at or below 5 MW (dc)	150 MW
Interim Subsection (t) Grid	All Sizes	75 MW (or 3 months before CSI commencement)

#### **ADI Guidelines and Clarifications cont.**

## **Market Segments and Incentives Values**

Market Segments	System Size MW dc	Incentive Values (\$/SREC II)	Public Entities (\$20/SREC II Adder)
Net-Metered Residential	All Sizes	\$90	N/A
Small Net-Metered Non- Residential located on Rooftop, Carport, Canopy and Floating Solar	Project Smaller than 1 MW	\$100	\$120
Small Net Metered Non- Residential Ground Mount	Project Smaller than 1 MW	\$85	\$105
Large Net Metered Non- Residential Ground Mount	Projects 1 MW to 5 MW	\$80	\$100
Community Solar LMI	Up to 5 MW	\$90	N/A
Community Solar Non- LMI	Up to 5 MW	\$70	N/A
Interim Subsection (t) Grid	All Sizes	\$100	N/A

#### **Changing SREC-II Ownership**

Registrants that have a change to the System or SREC-II ownership must provide a copy of the newly executed contract reflecting the new owner together with a revised ADI Registration Certification form. If the change in ownership occurs after the SREC-II Certification Number has been issued, please contact GATS for guidance on how to make this change.

# **Location of ADI Program Forms and Documents**

The Final As-Built Checklist and other program forms can be found at www.njcleanenergy.comm.

External Email: Do not click links or attachments unless you recognize the sender and know the content is safe.

**EXHIBIT D** 

ADOPTIONS PUBLIC UTILITIES

certain types of projects, such as solar projects associated with new construction or community solar. The commenter notes that, in these instances, a utility account may not be established at the time the initial registration package is submitted, and suggests that the Board can require this documentation at a later point in the process. (RECO)

RESPONSE: The Board agrees that where a solar facility is proposed for new construction or for a community solar project, there is no utility bill to provide and developers should so indicate. In the past, registrants have simply provided an explanation that the requirement is not applicable. However, to avoid possible confusion, the Board has inserted the language "if applicable" upon adoption.

15. COMMENT: The commenter believes that the interconnection requirements set forth at proposed N.J.A.C. 14:8-11.5(d)6 should conform to the interconnection requirements of the Board's current interconnection regulations at N.J.A.C. 14:8-5, in order to provide clarity and certainty to developers and the EDCs. (RECO)

RESPONSE: The Board agrees with the commenter that, for a solar electric generation facility to be considered as net metered for purposes of ADI Program eligibility, the facility must satisfy the Board's rules for interconnection at N.J.A.C. 14:8-5. However, the Board does not believe that it is necessary to specify in the incentive program registration rules that projects less than 25 kW must obtain a fully executed Part 1 interconnection agreement to enable registration submission. The Board anticipates that any registrant that does not conform to the interconnection requirements at N.J.A.C. 14:8-5 will not be approved to construct until it addresses such issues independently.

16. COMMENT: The commenter requests that the extension policy at N.J.A.C. 14:8-11.5(i) be modified to allow developers to receive up to one year of extensions upon providing evidence of active and ongoing work on a project, such as permits and purchase orders. According to the commenter, an incentive cliff, whereby additional extensions are available only through "an expensive, time-consuming, and uncertain BPU petition" process have proven unacceptable to investors and resulted in the loss of high-value public sector projects that are often subject to extensive procurement and permitting requirements. (EDF Renewables)

17. COMMENT: The commenter recommends making up to one year of extensions available for SuSI Program participants due to slow permitting processes and ongoing supply chain issues resulting from the COVID-19 public health emergency. Alternatively, the commenter suggests tolling the registration expiration for projects that are pending a decision on a permit. (NJAWC)

RESPONSE TO COMMENTS 16 AND 17: The Board recognizes that the legislatively mandated closure of the SRP, and establishment of the TI Program, and now the creation of the permanent SuSI Program have created challenges for certain developers. The Board likewise appreciates the potential difficulties of developing projects within a set timeframe, but notes that the timeframes in the proposed rules are the product of both an extensive stakeholder process and 20 years of experience New Jersey has with the solar industry. While the time constraints in the closure of the SRP and the interim nature of the TI Program may have prevented the development of some projects, including some in the public sector, New Jersey's thriving solar industry and the amount of installed solar in the State demonstrate that they are not unduly exacting. New Jersey continues to see large amounts of capital being deployed by investors, and the Board commits to continuing to monitor the health of the solar industry. However, requiring that projects reach commercial operation within a set timeframe is critical to the integrity of the solar program as is ensuring that ratepayers receive a return on their investment in solar within a reasonable period. This is particularly true given that the cost of solar continues to decrease significantly over time, meaning that developers have a financial interest in "locking in" today's incentive levels, but delivering solar at some point in the future after costs have declined.

Finally, the Board believes that fact- and developer-specific issues, including those related to supply chain, permitting, or other comparable issues that affect individual developers or projects, can most appropriately be addressed by the Board through fact-specific adjudication. The transparency and public accountability created by the Board's petition process are critical to public confidence that New Jersey is making wise, cost-effective investments in clean energy. The Board disagrees that its petition process is needlessly "expensive" or "time-consuming,"

particularly given the many millions of dollars in solar incentives that entities are often seeking.

18. COMMENT: The commenter opposes proposed N.J.A.C. 14:8-11.5(k), which would allow registrants to increase the capacity of their projects up 10 percent or 25 kWdc, whichever is smaller, subject to the five MWdc program maximum for projects in the ADI Program, by filing a notice with the Board's staff. The commenter asserts that this provision is not consistent with any prior Board-approved solar energy programs and is arbitrary in nature. Allowing such capacity changes, in the commenter's opinion, could lead to additional uncertainty and volatility in the planning and budgeting process contemplated elsewhere in the proposed rules. (Rate Counsel)

19. COMMENT: With respect to proposed N.J.A.C. 14:8-11.5(k), the commenter states that the allowed increase in capacity for individual projects may not have a significant impact on an individual facility basis, but that, if each facility increases its size by the allowable amount, a change in the megawatt blocks may be warranted. Thus, the commenter recommends that the Board include an analysis of these allowable system size increases as part of the establishment of the megawatt blocks applicable to the upcoming energy year, in order to prevent exceedances of the cost caps and the RPS. (RECO)

RESPONSE TO COMMENTS 18 AND 19: The Board's experience in administering the solar programs shows that solar projects are often constructed at sizes that are slightly different than indicated in the project's initial application. Often, these small changes are made to reduce the cost or difficulty in constructing the project, adjust for changes in equipment based on availability, or reduce the impact of the project on the electrical grid, and, therefore, should be encouraged. The Board does not anticipate that many projects will make use of the flexibility provided at N.J.A.C. 14:8-11.5(k) and, thus, does not believe that it will lead to the uncertainty feared by the commenters. The Board also notes that an increase of capacity capped at 25 kWdc is relatively modest in the context of projects that may be as large as five MW. Such minor capacity adjustments have historically been permitted in the SRP and TI Program, in recognition that the final installed solar system may not be exactly identical to the plans presented in the initial registration. Additionally, the Board will close the registration window for a market segment when registrations to that market segment reach the annual capacity allocation. The Board notes that, historically, a certain percentage of registered projects fail to reach commercial operation. The Board expects that the amount of capacity decrease resulting from projects that have registered, but fail to reach commercial operation, will likely be significantly larger than the capacity increase resulting from projects that exercise the option to increase by the maximum allowable 25 kW. In the event that increases in size become common enough to risk increased uncertainty, the Board may revisit this provision and/or the megawatt blocks.

#### N.J.A.C. 14:8-11.6 New Jersey SREC-II Value

20. COMMENT: The commenter supports the qualification life of 15 years at proposed N.J.A.C. 14:8-11.6(a), stating that it reflects a reasonable balance between the need for stability to keep the cost of providing incentives down and the need to limit the length of time for which ratepayers subsidize solar installations. The commenter also notes that this proposed qualification life is consistent with past Board policies. (Rate Counsel)

RESPONSÉ: The Board notes the commenter's support for the rule, which is anticipated to encourage investment while limiting overall program costs.

21. COMMENT: The commenter supports proposed N.J.A.C. 14:8-11.6(e), which provides that incentive values for the ADI program would be reset through a Board Order no less frequently than every three years and that, in the absence of such an order, incentives would automatically decrease by 10 percent at the end of three years. The commenter believes that this provision is consistent with the general trend towards decreasing solar installation costs and the Clean Energy Act's mandate to continually reduce the costs of achieving the State's solar energy goals. In addition, the commenter states that the requirement to actively review incentive values every three years, subject to automatic decrease if the Board does not act, will help to provide financial discipline to the ADI program and, over the long run, reduce New Jersey ratepayer costs. (Rate Counsel)