



**STATE OF NEW JERSEY**  
**Board of Public Utilities**  
**44 South Clinton Avenue, 1<sup>st</sup> Floor**  
**Post Office Box 350**  
**Trenton, New Jersey 08625-0350**  
[www.nj.gov/bpu/](http://www.nj.gov/bpu/)

### **MINUTES OF THE REGULAR MEETING OF THE BOARD OF PUBLIC UTILITIES**

A regular Board meeting of the New Jersey Board of Public Utilities was held on December 7, 2022, via online @ <https://www.youtube.com/watch?v=rVtNu-gk3vs>

Adequate notice of the meeting was provided pursuant to the Open Public Meetings Act, N.J.S.A. 10:4-9.3. Notice was also provided in accordance with the requirements of N.J.S.A 48:2-32.8, and notice was posted to the Board's website and posted on the Board's bulletin board located at 44 South Clinton Ave., Trenton, New Jersey.

The following members of the New Jersey Board of Public Utilities were present:

Joseph L. Fiordaliso, President  
Mary-Anna Holden, Commissioner  
Dianne Solomon, Commissioner  
Robert M. Gordon, Commissioner  
Dr. Zenon Christodoulou, Commissioner

President Fiordaliso presided at the meeting and Carmen Diaz, Acting Secretary, carried out the duties of the Secretary.

It was also announced that the next regular Board Meeting will be held on December 21, 2022 at 10:00 a.m. and would be a hybrid meeting at the Board's Hearing Room at 44 South Clinton Avenue, Trenton and livestreamed via YouTube.

## **EXECUTIVE SESSION**

There were no items discussed in Executive Session.

## CONSENT AGENDA

### I. AUDITS

- A. Non-Docketed Matter – Request for Extension of Treasury Term Contract # T-2482 Relating to Request for Proposal 13-X-22139, Management Consulting: Contracted Management Auditing Firms, BPU – Request for Approval of One Year Contract Extension of Pre-Qualified Bidders List. Extension Contract Duration: January 1, 2023 – December 31, 2023.**

**BACKGROUND:** This matter involved a request for an extension of the Department of Treasury, Division of Purchase and Property, Purchase Bureau's ("Treasury") Contract Term # T-2482 ("Contract") relating to a list of pre-qualified consulting firms contracted to perform management audits of utilities under the jurisdiction of the New Jersey Board of Public Utilities ("Board").

Board Staff ("Staff") requested a one (1) year extension of the Contract, which is anticipated to result in audit costs in excess of \$250,000 during the extension period from January 1, 2023 through December 31, 2023 or until a new contract is awarded and fully operational, whichever occurred first.

### II. ENERGY

There were no items in this category.

### III. CABLE TELEVISION

- A. Docket No. CE22020102 – In the Matter of the Petition of Comcast of Burlington County, LLC, for a Renewal Certificate of Approval to Continue to Construct, Operate and Maintain a Cable Television System in and for the Township of Bordentown, County of Burlington, State of New Jersey.**

**BACKGROUND:** On December 9, 2021, the Township of Bordentown ("Bordentown") was notified by Comcast of Burlington County, LLC ("Comcast") of its intention to utilize the automatic renewal provision of its municipal consent. Bordentown's ordinance granting municipal consent, which was adopted September 22, 2008, granted a term of 15 years with an automatic renewal term of 10 terms. The initial term expired on January 9, 2022. On February 25, 2022, Comcast filed a petition with the New Jersey Board of Public Utilities ("Board") for an Automatic Renewal Certificate.

After review, Board Staff recommended approval of the Automatic Renewal Certificate. The certificate shall expire on January 9, 2032.

#### IV. TELECOMMUNICATIONS

##### **A. Docket No. TF22060372 – In the Matter of the Verified Petition of DSCI, LLC for Approval to Participate in Financing Arrangements.**

**BACKGROUND:** On June 3, 2022, DSCI, LLC (“DSCI”) filed a verified petition with the New Jersey Board of Public Utilities (“Board”) pursuant to N.J.S.A. 48:3-7 and 48:3-9 requesting approval for DSCI to participate in certain financing arrangements up to an aggregate amount of \$708 million consisting of a term loan credit facility, a revolving credit facility and an incremental term loan (“Financing Arrangements”) (“Petition”). DSCI sought Board approval to participate in the Financing Arrangements that may be used to refinance existing debt, for acquisitions and other expansion activities, and for working capital and other general corporate purposes.

After review of the information submitted in this proceeding, Board Staff finds that the action requested is in accordance with the law and in the public interest, and therefore recommended approval of the Petition, subject to certain conditions which were set forth in the Board order.

##### **B. Docket No. TF22090554 – In the Matter of the Joint Petition of BCM One, Inc. – Referred to as (“BCM”) and Wholesale Carrier Services, Inc. (“WCS”) for Approval to Obtain Debt Financing.**

**BACKGROUND:** On September 2, 2022, BCM One, Inc. (“BCM One”) and Wholesale Carrier Services (“WCS”) filed a petition with the New Jersey Board of Public Utilities (“Board”) seeking approval and authority to obtain debt financing in the amount of \$150 million, pursuant to N.J.S.A. 48:3-9. Specifically, BCM One and WCS are wholly owned by BCM One Group Holdings, Inc., which would take on the additional indebtedness, the proceeds of which will be used to acquire complementary entities engaged in similar business activities to BCM One and WCS. Should such complementary entities be regulated by the Board, approval of such acquisitions would be necessary and undertaken at a later time.

After review of the information submitted in this proceeding, Board Staff finds that the action requested is in accordance with the law and in the public interest, and therefore recommended approval of the petition, subject to certain conditions which are set forth in the Board order.

#### V. WATER

##### **A. Docket No. WE22060370 – In the Matter of the Petition of Gordon’s Corner Water Company, Inc. for Approval of a Municipal Consent to Provide Water Service to a Portion of Colts Neck Township.**

**BACKGROUND:** On June 3, 2022, Gordon’s Corner Water Company, Inc. (“GCWC”) filed a verified petition with the New Jersey Board of Public Utilities (“Board”) pursuant to N.J.S.A. 48:2-14 and N.J.A.C. 14:1-5.5, for approval of Colts Neck Township’s (“Colt’s Neck”) municipal consent granting GCWC a limited franchise to provide water service to a portion of Colts Neck (“Proposed Franchise Area”). Resolution No. 2021-172 (“Municipal Consent”) grants GCWC consent to provide water service as defined in

N.J.S.A. 48:2-14 and N.J.S.A. 48:3-15.

Board Staff recommended that the Board approve the Municipal Consent subject to the conditions in the draft Board order.

## **VI. RELIABILITY AND SECURITY**

**A. Docket Nos. WS22100636K, WS22100637K, WS22100638K, ES22100639K, ES22100640K, GS22100641K, GS22100642K, AS22100643K, ES22100644K, GS22100645K, GS22100646K, AS22100647K, GS22100648K, GS22100649K, TS22100650K, GS22100651K, and ES22100652K – In the Matter of Alleged Violations of the Underground Facility Protection Act, N.J.S.A. 48:2-73 to - 91.**

**BACKGROUND:** This matter involved settlements of alleged violations of the Underground Facility Protection Act by both excavators and operators of underground facilities. This matter did not contain settlements involving catastrophic situations, death, or major property damage. The categories of infraction were failure to provide proper notice, failure to use reasonable care, and mismarking of facilities. The cases were settled in accordance with a penalty strategy, which escalates in relationship to aggravating factors, such as injury, property damage, fire, evacuation, road closure, and other public safety concerns, and provides disincentives for violations. There were 17 settlements which total \$51,000.00.

Staff of the New Jersey Board of Public Utilities (“Board”) recommended that the Board approve the settlements provided in the Appendix.

## **VII. CUSTOMER ASSISTANCE**

There were no items in this category.

## **VIII. CLEAN ENERGY**

There were no items in this category.

## **IX. MISCELLANEOUS**

There were no items in this category.

**After appropriate motion, the consent agenda was approved.**

|                        |                                   |            |
|------------------------|-----------------------------------|------------|
| <b>Roll Call Vote:</b> | <b>President Fiordaliso</b>       | <b>Aye</b> |
|                        | <b>Commissioner Holden</b>        | <b>Aye</b> |
|                        | <b>Commissioner Solomon</b>       | <b>Aye</b> |
|                        | <b>Commissioner Gordon</b>        | <b>Aye</b> |
|                        | <b>Commissioner Christodoulou</b> | <b>Aye</b> |

## AGENDA

### 1. AUDITS

There were no items in this category.

### 2. ENERGY

#### **A. Docket No. ER22010003 – In the Matter of the Board of Public Utilities – Federal Energy Regulatory Commission (FERC) Items for 2022 – FERC Docket No. ER22-2690 – PPL Electric Utilities PJM Interconnection, L.L.C.**

**David Schmitt, Legal Specialist**, presented this matter.

**BACKGROUND:** On November 10, 2022, Staff of the New Jersey Board of Public Utilities (“Board”) (“Staff”), on behalf of the Board, filed an answer responding to the Merchant Transmission Facilities’ protest of the State Agreement Approach (“SAA”) cost allocation methodology. Staff’s comments argued that the tariff changes only allocate costs to New Jersey and that the Merchant Transmission Facilities’ concerns are misplaced and the need for timely order and that the Federal Energy Regulatory Commission needed to issue an order, a timely order for the Board to proceed with the SAA.

Staff recommended that the Board ratify Staff’s comments filed with FERC on November 10, 2022.

**DECISION:** After discussion, the Board adopted the recommendation of Staff as set forth above.

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|------------------------|-----------------------------------|------------|
| <b>Roll Call Vote:</b> | <b>President Fiordaliso</b>       | <b>Aye</b> |
|                        | <b>Commissioner Holden</b>        | <b>Aye</b> |
|                        | <b>Commissioner Solomon</b>       | <b>Aye</b> |
|                        | <b>Commissioner Gordon</b>        | <b>Aye</b> |
|                        | <b>Commissioner Christodoulou</b> | <b>Aye</b> |

#### **B. Docket No. ER22010003 – In the Matter of the Board of Public Utilities – Federal Energy Regulatory Commission (FERC) Items for 2022 – DOE Reference No. 6450-01-P Draft Guidance for the Civil Nuclear Credit Program Second Award Cycle.**

**David Schmitt, Legal Specialist**, presented this matter.

**BACKGROUND:** On November 15, 2021, the Infrastructure Investment and Jobs Act was signed into law and enacted by the Department of Energy (“DOE”) to establish the Civil Nuclear Credit (“CNC”) Program. On February 15, 2022 DOE issued a notice of intent to request information regarding the establishment of a CNC program and on March 8, 2022 the New Jersey Board of Public Utilities (“Board”) filed comments. In its comments, the Board offered its perspective, which, in part, was informed by New Jersey’s longstanding support for nuclear facilities and its implementation of a Zero Emission Certificate program in 2018. DOE has since issued and awarded the first round of CNCs. On September 30, 2022, DOE released and requested feedback on the draft Guidance

for CNCs second award cycle. On November 4, 2022, Board Staff (“Staff”), on behalf of the Board, submitted comments for DOE’s consideration as it finalizes the Guidance document.

Staff recommended that the Board ratify Staff’s comments filed with DOE on November 4, 2022.

**DECISION:** After discussion, the Board adopted the recommendation of Staff as set forth above.

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| <b>Roll Call Vote:</b> | <b>President Fiordaliso</b>       | <b>Aye</b> |
|                        | <b>Commissioner Holden</b>        | <b>Aye</b> |
|                        | <b>Commissioner Solomon</b>       | <b>Aye</b> |
|                        | <b>Commissioner Gordon</b>        | <b>Aye</b> |
|                        | <b>Commissioner Christodoulou</b> | <b>Aye</b> |

**C. Docket No. ER22070463 – In the Matter of the Petition of Atlantic City Electric Company for Implementation of an Adjustment to Its Conservation Incentive Program Rate Mechanism and Associated Customer Class Rates (2022).**

**Paul Lupo, Bureau Chief, Division of Water and Energy,** presented this matter.

**BACKGROUND:** On April 27, 2021, the New Jersey Board of Public Utilities (“Board”) approved Atlantic City Electric Company’s (“ACE’s”) energy efficiency filing, which included, among other things, the establishment of an Conservation Incentive Program (“CIP”) mechanism to account for the lost revenues resulting from the potential decrease of customer energy usage stemming from administering clean energy programs. The CIP is calculated each month by applicable rate schedule by subtracting the baseline revenue per customer from the actual revenue per customer and multiplying the result in revenue per customer by the actual number of customers for that month and that results in either a margin deficiency, which should be collected from customers, or a margin excess which should be refunded to customers. On July 29, 2022, ACE filed a petition seeking approval to adjust its CIP rates based upon an initial deferral period of July 1, 2021 through June 30, 2022, and refund a net CIP amount of approximately \$13.054 million. ACE proposed a rate adjustment related to changes in the average revenue per customer when compared to the baseline revenue per customer. The parties determined that, while additional time was needed to complete a review of the petition, it was reasonable and in the public interest for ACE to implement provisional CIP rates. The parties executed a stipulation which would allow ACE to implement CIP rates consistent with the petition on a provisional basis subject to refund with interest. As a result of the stipulation, ACE’s average residential customer would see a decrease in their monthly bill of 24 cents.

Staff recommended that the Board issue an order approving the stipulation for provisional CIP rates effective January 1, 2023 and direct ACE to file tariffs by December 30, 2022.

**DECISION:** After discussion, the Board adopted the recommendation of Staff as set forth above.

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| <b>Roll Call Vote:</b> | <b>President Fiordaliso</b>       | <b>Aye</b> |
|                        | <b>Commissioner Holden</b>        | <b>Aye</b> |
|                        | <b>Commissioner Solomon</b>       | <b>Aye</b> |
|                        | <b>Commissioner Gordon</b>        | <b>Aye</b> |
|                        | <b>Commissioner Christodoulou</b> | <b>Aye</b> |

**3. CABLE TELEVISION**

There were no items in this category.

**4. TELECOMMUNICATIONS**

There were no items in this category.

**5. WATER**

**A. Docket No. WO22100618 – In the Matter of Borough of Fair Lawn Services Agreement for the Maintenance and Repair of the Borough of Fair Lawn’s Water Storage Tanks.**

**Michael Kammer, Director, Division of Water and Energy,** presented this matter.

**BACKGROUND:** On October 3, 2022, pursuant to the New Jersey Water Supply Public/Private Contracting Act, the Borough of Fair Lawn (“Borough”) filed a petition with the New Jersey Board of Public Utilities (“Board”) seeking approval for a services agreement to maintain and repair water storage tanks with Utility Service, Inc. The Board normally does not have jurisdiction over the Borough, but must look through contracts such as this whenever an unregulated entity enters into a contract such as this. The Borough also filed an application with the Division of Local Government Services at the Department of Community Affairs. Under the contract, the Borough agreed to engage Utility Services, Inc. to provide professional services to maintain its four water storage tanks.

Board Staff (“Staff”) recommended approval of the public/private contract subject to the conditions that any extension of the contract beyond the 20-year term or any amendment to the contract changing the formula or other basis determining the charges contained in the contract be subject to Board review and approval. The local finance board intends to consider the managing services agreement at its December 14, 2023 public agenda meeting and by letter dated November 23, 2022, the New Jersey Division of Rate Counsel submitted a no objection letter to a voice approval of the contract and, again, Staff recommended that the Board approve the contract.



**DECISION:** After discussion, the Board adopted the recommendation of Staff as set forth above.

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| <b>Roll Call Vote:</b> | <b>President Fiordaliso</b>       | <b>Aye</b> |
|                        | <b>Commissioner Holden</b>        | <b>Aye</b> |
|                        | <b>Commissioner Solomon</b>       | <b>Aye</b> |
|                        | <b>Commissioner Gordon</b>        | <b>Aye</b> |
|                        | <b>Commissioner Christodoulou</b> | <b>Aye</b> |

**6. RELIABILITY AND SECURITY**

There were no items in this category.

**7. CUSTOMER ASSISTANCE**

There were no items in this category.

**8. CLEAN ENERGY**

**A. Docket No. QO20060449 – In the Matter of the Clean Energy Program Authorization of Commercial and Industrial Program Energy Efficiency Incentives Exceeding \$500,000 – North Brunswick Township Board of Education.**

**Dustin Wang, Division of Clean Energy**, presented this matter.

**BACKGROUND:** The North Brunswick Township Board of Education revised the scope of a project under the Pay for Performance, Existing Buildings Program requesting approval from the New Jersey Board of Public Utilities (“Board”) of an additional financial incentive of \$42,365.30. This would increase the original incentive amount of \$663,769.26 to \$706,134.56 for the installation of energy conservation measures at North Brunswick Township High School. The project has a total cost of \$4,293,635.00. The proposed scope revision would include the installation of refrigeration controls and replacement of existing motors with electronically commutated motors for a walk-in cooler and a walk-in freezer. Annually, the project would conserve an estimated 1,386,238 kilowatt-hours of electricity and 17,599 terms of natural gas with the extended scope. The project would also reduce peak electricity demand by an anticipated 649.4 kilowatts and reduce the school’s annual energy costs by an estimated \$160,521.51.

Board Staff (“Staff”) recommended approval of the application for the total estimated incentive amount.

**DECISION:** After discussion, the Board adopted the recommendation of Staff as set forth above.

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|------------------------|-----------------------------------|------------|
| <b>Roll Call Vote:</b> | <b>President Fiordaliso</b>       | <b>Aye</b> |
|                        | <b>Commissioner Holden</b>        | <b>Aye</b> |
|                        | <b>Commissioner Solomon</b>       | <b>Aye</b> |
|                        | <b>Commissioner Gordon</b>        | <b>Aye</b> |
|                        | <b>Commissioner Christodoulou</b> | <b>Aye</b> |

**B. Docket No. QO22100660 – In the Matter of the United States Department of Energy – State Energy Program – Bipartisan Infrastructure Law – July 1, 2022 – June 30, 2027.**

**Dustin Wang, Division of Clean Energy**, presented this matter.

**BACKGROUND:** The Infrastructure Investment Jobs Act of 2021 (“Bipartisan Infrastructure Law”) authorized the United States Congress to appropriate \$500 million for State Energy Program formula awards, which are administered by the United States Department of Energy (“US DOE”). The US DOE allocated \$9,847,540.00 of this new funding to the State of New Jersey. The award consists of a five-year project and budget period and does not require State matching funds. Board Staff (“Staff”) proposed a State Plan under the Bipartisan Infrastructure Law for submission to the US DOE. The plan would align with the Clean Energy Act of 2018 and New Jersey Energy Master Plan goals as it would expand clean energy program offerings to customers who are not served by investor-owned electric or gas utility companies (“IOUs”). These non-IOU customers do not pay a Societal Benefits Charge and, therefore, do not qualify for State-funded clean energy programs. The proposal included the following budgets and programs: \$6,847,540.00 for a program that expands the eligibility of energy efficiency incentives offered by New Jersey’s Clean Energy Program to non-IOU customers; \$1,500,000.00 for a program that expands the eligibility of the purchase and installation incentives for eligible electric vehicle charging equipment in multi-unit dwellings to non-IOU customers; and \$1,500,000.00 for a program that expands the eligibility of the Municipal light-emitting diode (“LED”) Streetlights Program to allow municipalities not served by IOUs to retrofit municipal streetlights with LED bulbs and fixtures.

Staff recommended approval of the State Plan, the budget of \$9,847,540.00 in federal funds, and the establishment of the above programs, and submission of the plan to the DOE.

**DECISION:** After discussion, the Board adopted the recommendation of Staff as set forth above.

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|------------------------|-----------------------------------|------------|
| <b>Roll Call Vote:</b> | <b>President Fiordaliso</b>       | <b>Aye</b> |
|                        | <b>Commissioner Holden</b>        | <b>Aye</b> |
|                        | <b>Commissioner Solomon</b>       | <b>Aye</b> |
|                        | <b>Commissioner Gordon</b>        | <b>Aye</b> |
|                        | <b>Commissioner Christodoulou</b> | <b>Aye</b> |

**C. Docket No. QO21101186 – In the Matter of Competitive Solar Incentive (“CSI”) Program Pursuant to P.L. 2021, c. 169.**

**Veronique Oomen, Division of Clean Energy**, presented this matter.

**BACKGROUND:** This agenda item involved the launch of the new Competitive Solar Incentive (“CSI”) Program, which would form part of the Successor Solar Incentive (“SuSI”) Program established by the New Jersey Board of Public Utilities (“Board”) in July 2021. The CSI Program complements that Administratively Determined Incentive (“ADI”) Program which opened to registrations in August 2021. The goal of the CSI Program is to provide incentives for at least 300 megawatts (“MW”) per year of new solar development in New Jersey, almost doubling the rate of solar installation in the State. The new program

comes in addition to an already strong solar market in New Jersey, with solar providing employment for over 6,200 people in December 2021, up from less than 5,400 in December 2020. As of October 31, 2021, New Jersey had over 166,000 solar installations for a total of 4,218 MW electricity generation capacity, and an additional 741 MW in the pipeline. In addition, 2022 was projected to be a record or near record year for solar installations in the State, despite the tightness in the supply chain and lingering concerns about COVID-19. Finally, solar incentive levels for new installations have declined between 30 and 70 percent over the last few years demonstrating substantial progress of the goal of controlling ratepayer cost.

This agenda item was accompanied by two (2) rule proposals, which lay out the regulations for the CSI Program and accompanying siting requirements. The CSI Program would use competitive market forces to set incentive values for all grid supply projects and net metered nonresidential projects greater than five (5) MW. As such, the program is primarily a program for large scale solar development in New Jersey and it is the first time that the State has created a program specifically geared towards this segment.

The CSI Program design is accompanied by siting requirements that would apply to all projects that are eligible for the CSI Program regardless of whether they actually seek an incentive. These siting requirements follow stipulations laid out in the Solar Act of 2021 and establish construction requirements designed to uphold statutory mandate to minimize as much as practicable potential adverse environmental impacts.

New Jersey's Solar Renewable Energy Certificate ("SREC") Program established in 2004 was the earliest functioning SREC market and to this day is the largest solar certificate market in the country. This incentive model has proven effective in enabling the State to transition away from providing rebates for solar installations starting in 2007. SRECs enabled the solar market to grow beyond its initial goals of 2 percent to reach today's penetration exceeding 6 percent of the retail electricity market. The Clean Energy Act of 2018 required the Board to close the SREC program to new registrants when the State's solar generation reached 5.1 percent of retail electricity sales and study how to replace the program toward continuing solar development in a more cost effective manner. The Board initiated a Solar Transition stakeholder process that year and over the course of three (3) years Board Staff ("Staff") held over a dozen stakeholder meetings, issued multiple straw proposals, surveys, and requests for comments and made itself available to answer questions from the public during office hours. Upon reaching the 5.1 percent threshold, the Board closed the SREC program and opened the Transition Incentive to new registrants on May 1, 2020.

The Solar Act of 2021 signed by Governor Murphy in July 2021 provided additional guidance on how to design and implement the new solar incentive programs. On July 28, 2021, drawing on the extensive public record and guided by the mandates of the Clean Energy Act of 2012 and Solar Act of 2021, the Board established a SuSI Program and ADI Program, which the Board opened on August 28, 2021. Since that time, Staff issued two (2) straw proposals, conducted six (6) stakeholder meetings, and issued several requests for comments on the design of the CSI Program and solar siting for CSI-eligible facilities. The CSI Program complements the ADI program as the second leg of the SuSI Program. The CSI Program seeks to balance several key objectives. In particular, the recommendations sought to balance the Board's longstanding commitment to continued health and growth of the State's solar industry as a key pillar of the Governor's commitment to reach 100 percent of clean energy by 2050, with its equally longstanding

commitment to customer affordability and ensuring that each ratepayer dollar of solar incentive provided the maximum benefits to the State. In light of these objectives, the statutory mandates described earlier, Staff recommended that the Board establish the new CSI Program with incentives to be delivered via the creation of NJ Solar Renewable Energy Certificates-IIs ("SREC-IIs") where one NJ SREC-II would be created for every MW of solar generation under the program.

Staff recommended the CSI Program be structured into five (5) separate categories, or tranches, to ensure that a range of solar projects, including those on preferred sites, are able to participate despite different cost profiles. Staff recommended these to be: tranche one, basic grid supply; tranche two, grid supply of the built environment; tranche three, grid supply on contaminated sites and landfills; tranche four, net metered nonresidential projects above five (5) MW; and tranche five, storage paired with grid supply solar. For each solicitation, CSI-eligible facilities would be allowed to submit a bid for an SREC-II award, specified in dollars per MW hour of solar electricity production. Staff recommended that to complete in tranche five, a solar plus storage project would need to provide a two-part bid, a solar only SREC-II price for eligible grid supply solar project and a storage adder price. All projects would be subject to the prequalification requirements for applicable to the specific tranche and once accepted into the solicitation, compete on price only. All grid supply projects in tranches one, two, and three will be eligible to compete first with the basic grid supply tranche. The lowest priced projects would receive awards. This approach allows for selection of more projects with preferred siting, if these are competitive with basic grid supply. Storage bids would be ranked by normalized storage bid defined as the bid that corresponds to an incentive for storage with a discharge capacity equivalent to four hours of the capacity of the associated solar facility.

For prequalification, which would be conducted before a project will be allowed to bid into the solicitation, Staff recommended the following requirement: Either demonstrate completion of the PJM Interconnection, LLC ("PJM") feasibility study or new Phase I study, or evidence of an executed Part 1 Interconnection agreement. Further, Staff recommended that projects be required to pay \$1,000.00 per MW nonrefundable solicitation participation fee, where the funds would be used to offset administrative costs of the CSI Program. Projects benefiting public entities would be exempted from this fee. SREC-IIs under the CSI would be awarded pay-as-bid, meaning that each awarded project will receive the incentive that it has bid into the program. The SREC-IIs would be a fixed amount in dollars per megawatt-hour for a qualification life of 15 years. Staff further recommended that the Board reserve the right to establish, by order, confidential, predetermined price caps for any or all tranches prior to the solicitation. These caps would protect ratepayers against excessive prices in cases of insufficient competition.

For the initial procurement, Staff recommended the following procurement targets. Tranche one, basic grid supply, 140 MW. Tranche two, grid supply on the built environment, 80 MW. Tranche three, grid supply on contaminated sites and landfills, 40 MW. Tranche four, net metered nonresidential installations over five (5) MW, 40 MW. These four tranches add up to a total of 300 MW. Finally, tranche five, storage paired the grid supply solar, 160 megawatt-hours. Staff recommended the procurement to be held annually, with potential changes in the exact timing of the solicitation to better align with the PJM queue process. The first solicitation would take place in the first quarter of 2023 with bids due on March 31, 2023 at 11:59 p.m. A new CSI solicitation portal would be opened on February 1, 2023. Except for tranche three, projects granted a CSI award would have 30 days following the Board order announcing the award to register their CSI-

eligible facility with the Board. Tranche three projects on contaminated sites and landfills would need to obtain Board approval for conditional registration, which would be granted upon a determination of eligibility after a review in coordination with the New Jersey Department of Environmental Protection (“NJDEP”). Projects on contaminated sites and landfills would have 30 days to register upon this determination of eligibility. Staff further recommended that all CSI projects be assigned a conditional registration that expires 36 months from the date of the issuance of the notice of conditional registration. Staff recommended that the Board direct the electric distribution companies (“EDCs”) to work with Staff to jointly procure an SREC-II administrator or to expand the scope of the existing administrator to include the SREC-IIs under the CSI Program. Finally, Staff recommended that the Board close the interim Subsection (t) market segment under the ADI Program on the effective date of the order.

The Solar Act of 2021 directed the Board to establish siting criteria for all grid supply solar installations, as well as nonresidential net metered solar installations with a capacity greater than five (5) MW. The directive implies that the siting criteria will be applicable to all CSI-eligible facilities, not just the projects seeking a New Jersey incentive. Staff proposed to prohibit siting of CSI-eligible facilities on sites listed under Sections 6(c) and 6(e) of the Solar Act of 2021 absent a waiver from the Board. The waiver, if applicable, would have to be obtained as part of the prequalification. Staff recommended that the prohibition absent a waiver also apply to CSI-eligible facilities if the aggregate solar development on certain specified farmland exceeds 2.5 percent of such lands statewide. Aggregate solar development would be defined as all CSI-eligible facilities constructed after the effective date of the order, plus all CSI-eligible facilities that received a notice of the conditional registration. In addition, Staff recommended that CSI-eligible facilities would not be allowed to register with the Board if the aggregate solar development on certain farmland within a certain county exceeds 5 percent of such lands in the county where proposed facility will be located. Projects that would breach this cap will not be eligible for a waiver. Staff recommended that the Board provide an expedited waiver process for CSI-eligible solar on prohibited land uses if the facility will be located exclusively on the built environment and that the Board deem such installations to be presumptively in the public use. In order to minimize potential negative environmental impacts, Staff recommended that all CSI-eligible facilities, other than those mounted on the built environment would be required to comply with the requirements detailed in the New Jersey Soil Erosion and Sediment Control Act, as well as comply with a limited number of specific erosion control measures recommended by NJDEP and the State Agriculture Development Committee. In addition, Staff recommended that, unless proposed to be constructed on a contaminated site or landfill, all CSI-eligible facilities would be required to comply with NJDEP’s standards for the use of pollinator-friendly native plant species and seed mixes in grid supply and select net metered solar facilities. Staff recommended that CSI-eligible facilities, if proposed to be located on certain specified farmland, comply with requirements designed to enable restoration of the land to agricultural use or conversion to dual-use solar, if such restoration or conversion is desired at the end of the solar installation’s useful life.

**DECISION:** After discussion, the Board adopted the recommendation of Staff as set forth above.

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|------------------------|-----------------------------------|------------|
| <b>Roll Call Vote:</b> | <b>President Fiordaliso</b>       | <b>Aye</b> |
|                        | <b>Commissioner Holden</b>        | <b>Aye</b> |
|                        | <b>Commissioner Solomon</b>       | <b>Aye</b> |
|                        | <b>Commissioner Gordon</b>        | <b>Aye</b> |
|                        | <b>Commissioner Christodoulou</b> | <b>Aye</b> |

**D. Docket No. QX22100653 – In the Matter of a Rulemaking Proceeding to Amend the Successor Solar Incentive Rules and Establish a Competitive Solar Incentive Pursuant to P.L. 2021, c. 169.**

**Veronique Oomen, Division of Clean Energy**, presented this matter.

**BACKGROUND:** This matter related to a rulemaking proceeding to amend the Successor Solar Incentive (“SuSI”) rules and establish a Competitive Solar Incentive (“CSI”) Program pursuant to P.L. 2021 c.169. This item involved the proposal of amendments to the New Jersey Administrative Code, primarily amendments to Subchapter 11, Chapter 8, renewal energy and energy efficiency in Title 14. Subchapter 11 governs the SuSI Program. The rule implements Section 4 of the Solar Act of 2021 which directed the New Jersey Board of Public Utilities (“Board”) to establish a competitive solicitation process for awarding Solar Renewable Energy Certificate- IIs (“SREC-IIs”) to grid supply solar facilities and net metered solar facilities greater than five (5) megawatts. The rule proposal would establish a new CSI Program which will be the second major section of the SuSI Program. The CSI Program provisions in the rule proposal were the subject of a straw proposal, which was issued on April 26, 2022, and a total of four (4) stakeholder meetings. Furthermore, the public had several opportunities to provide written comments and after the stakeholder meetings a total of 12 written comments were received from a range of stakeholders. The provisions establishing the CSI Program in the rule proposal mirror those laid out in the Board order approved in a previous agenda item.

In addition, the rule proposal included several modifications to registration rules for the Administratively Determined Incentive (“ADI”) Program, including allowing the Board discretion on whether to require a registration fee and clarifying several registration requirements. The proposed rules would allow projects that have previously registered under the Transition Incentive Program to register for the ADI Program even if they have already begun construction. The rule proposal would also add a requirement for a site plan for all SuSI projects with a capacity larger than 100 kilowatts. The requirements for this site plan largely follow the requirements for a site plan under the Municipal Land Use Law and would need to be signed and sealed by a licensed professional engineer.

Board Staff (“Staff”) recommended the Board approve the rule proposal for publication in the New Jersey Register.

**DECISION:** After discussion, the Board adopted the recommendation of Staff as set forth above.

|                        |                                   |            |
|------------------------|-----------------------------------|------------|
| <b>Roll Call Vote:</b> | <b>President Fiordaliso</b>       | <b>Aye</b> |
|                        | <b>Commissioner Holden</b>        | <b>Aye</b> |
|                        | <b>Commissioner Solomon</b>       | <b>Aye</b> |
|                        | <b>Commissioner Gordon</b>        | <b>Aye</b> |
|                        | <b>Commissioner Christodoulou</b> | <b>Aye</b> |

**E. Docket No. QX22100654 – In the Matter of a Rulemaking Proceeding to Create Siting Criteria for Grid Supply Solar Facilities and Net Metered Non-Residential Solar Facilities Over 5 Megawatts Pursuant to P.L. 2021, c.169.**

**Veronique Oomen, Division of Clean Energy,** presented this matter.

**BACKGROUND:** This matter related to a rulemaking proceeding to create siting criteria for grid supply solar facilities and net metered nonresidential solar facilities over five (5) megawatt (“MW”) pursuant to P.L. 2021 c.169. This matter involved the proposal of a new subchapter in the New Jersey Administrative Code, Title 14, Chapter 8, Subchapter 12 which are intended to specify siting criteria for grid supply and net metered nonresidential facilities with a capacity greater than five (5) MW. The rule proposal implements Sections 6 and 8 of the Solar Act of 2021 and the provisions were developed in close cooperation with the New Jersey Department of Environmental Protection, New Jersey Department of Agriculture, and the State Agriculture Development Committee. The provisions in the rule proposal were subject of a straw proposal issued on March 26, 2022 and two (2) stakeholder meetings. Furthermore, the public had the opportunity to provide written comments and Staff of the New Jersey Board of Public Utilities (“Board”) (“Staff”) received 11 comments from a range of stakeholders. The rule proposal mirrors the siting and construction requirements laid out in the Board order that was approved in a previous agenda item.

Staff recommended that the Board approve the rule proposal for publication in the New Jersey Register.

**DECISION:** After discussion, the Board adopted the recommendation of Staff as set forth above.

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| <b>Roll Call Vote:</b> | <b>President Fiordaliso</b>       | <b>Aye</b> |
|                        | <b>Commissioner Holden</b>        | <b>Aye</b> |
|                        | <b>Commissioner Solomon</b>       | <b>Aye</b> |
|                        | <b>Commissioner Gordon</b>        | <b>Aye</b> |
|                        | <b>Commissioner Christodoulou</b> | <b>Aye</b> |

**F. Docket No. EO12090832V – In the Matter of the Implementation of L. 2012, c. 24, the Solar Act of 2012;**

**Docket No. QO19010068 – In the Matter of the New Jersey Solar Transition Pursuant to P.L. 2018, c. 17 – Application for Certification of Solar Facility as Eligible for TRECS Pursuant to Subsection (T) of the Solar Act of 2012; and**

**Docket No. QO21081091 – CEP Renewables Vineland Newfield Solar Farm LLC.**

**Scott Hunter, Division of Clean Energy**, presented this matter.

**BACKGROUND:** This item related to a Subsection (t) application from CEP Renewables to have its Vineland Newfield Solar Farm project certified as being located on a brownfield pursuant to Subsection (t) of the Solar Act of 2012. The applicant’s proposed 23.9 megawatt dc project is to be located on 37.2 acres at the former Shieldalloy Metallurgic Corporation site in Newfield Borough in Gloucester County, New Jersey. Staff of the New Jersey Board of Public Utilities (“Board”) (“Staff”) reviewed the application, supplied a copy to the New Jersey Department of Environmental Protection (“NJDEP”) for their review. Staff subsequently received an advisory memo on the application where the NJDEP determined that the proposed site is a brownfield as defined by the Solar Act. The NJDEP also provided specific conditions and requirements for permits and approvals of the NJDEP that the project must satisfy.

Based on the review of the application and the advisory memorandum provided by the NJDEP, Staff recommended that the Board: 1) grant conditional certification of the Vineland Newfield Solar Farm project as proposed for the former Shieldalloy Metallurgic Corporation site on property defined as a brownfield consistent with the Solar Act; 2) find the conditions for certification provided by the NJDEP be fully documented as satisfied by the applicant prior to Staff’s issuance of full certification; and 3) direct the applicant to file its Transition Renewable Energy Certificate registration within 14 days of the date of the order.

**DECISION:** After discussion, the Board adopted the recommendation of Staff as set forth above.

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| <b>Roll Call Vote:</b> | <b>President Fiordaliso</b>       | <b>Aye</b> |
|                        | <b>Commissioner Holden</b>        | <b>Aye</b> |
|                        | <b>Commissioner Solomon</b>       | <b>Aye</b> |
|                        | <b>Commissioner Gordon</b>        | <b>Aye</b> |
|                        | <b>Commissioner Christodoulou</b> | <b>Aye</b> |



**G. Docket No. QW22030128 – In the Matter of a Successor Solar Incentive Program Pursuant to P.L. 2021, c. 169.**

**Scott Hunter, Division of Clean Energy**, presented this matter.

**BACKGROUND:** This item related to the Administratively Determined Incentive (“ADI”) Program and the recommendation from Staff of the New Jersey Board of Public Utilities (“Board”) (“Staff”) to reallocate capacity between market segment blocks within the ADI Program. On July 28, 2021, the Board established the Successor Solar Incentive (“SuSI”) Program, which included the ADI Program. The program design provided the Board the ability to manage the program budget in light of the statutory cost cap on the Class I renewable energy expenditures through the establishment of incentive levels and allocations of capacity to market segments referred to as megawatt (“MW”) blocks. The initial ADI design approved by the Board included four (4) market segment MW blocks, residential, nonresidential, community solar, and interim Subsection (t) segment with a MW allocation of 75 MW. The interim incentive opportunity for the Subsection (t) market segment was to remain open until approximately three (3) months prior to the start of the Competitive Solar Incentive (“CSI”) Program or until the MW block of capacity assigned to this market segment was filled, whichever occurred first. Staff received one interim Subsection (t) application for 5.19 MW project, which left 69.18 MW of capacity unallocated. The MW blocks are intended to be restocked on an annual basis prior to the beginning of an energy year as part of the annual cost cap calculation and implementation process. On May 18, 2022, the Board established the MW blocks for energy year 2023 assigning residential market segment 150 MW, assigning nonresidential market segment 150 MW, and the unallocated capacity from energy year 2022, which brought the total nonresidential capacity available to 287 MW. The recommendation to reallocate capacity among the ADI market segment MW blocks was also time sensitive in the context of the pace of registrations in the residential market. As reported on November 30, the residential market segment has received approximately 132 MW of registrations with almost 18 MW of the original 150 allocation remaining. The nonresidential market segment had not seen the same level of registration activity as the residential market segment. As of November 30, approximately 62 MW of registrations were received, leaving almost 226 MW the energy year allocation remaining. This agenda item was also timely in the context of an earlier agenda item that established the CSI Act, which included a tranche dedicated to contaminated sites and landfills and closed the interim Subsection (t) segment in the ADI Program. The agenda item was also timely in light of the Board’s directive in the July 2021 SuSI Program order requiring Staff to conduct a one year review of the ADI Program.

Staff held a stakeholder meeting to discuss the performance of the program over its first year including the incentive levels, market segments, and MW block subscription rates.

Staff recommended that the Board address the immediate need in the residential market segment and reallocate capacity among the ADI market segments by directing staff to reallocate 69.81 MW of capacity from the closed interim Subsection (t) market segment and reallocate 30.19 MW from the nonresidential market segment to the residential market segment.

**DECISION:** After discussion, the Board adopted the recommendation of Staff as set forth above.

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|------------------------|-----------------------------------|------------|
| <b>Roll Call Vote:</b> | <b>President Fiordaliso</b>       | <b>Aye</b> |
|                        | <b>Commissioner Holden</b>        | <b>Aye</b> |
|                        | <b>Commissioner Solomon</b>       | <b>Aye</b> |
|                        | <b>Commissioner Gordon</b>        | <b>Aye</b> |
|                        | <b>Commissioner Christodoulou</b> | <b>Aye</b> |

**H. Docket No. QO21050824 – In the Matter of the Board of Public Utilities Offshore Wind Solicitation 2 for 1,200 to 2,400 MW – Atlantic Shores Offshore Wind Project 1, LLC.**

**Kevin Dillon, Division of Clean Energy,** presented this matter.

**BACKGROUND:** This item addressed a petition by Atlantic Shores Offshore Wind, LLC (“Atlantic Shores”) regarding the financial reporting requirements related to its offshore wind project. In its petition, Atlantic Shores made several requests related to requirements for audited annual and quarterly financial statements, financial statements for fiscal year 2021, determinations on timely submittals and decisions on reporting during the life of the project award.

Upon consideration and review of the program requirements and industry standards, as well as comments received, Staff of the New Jersey Board of Public Utilities (“Board”) (“Staff”) made two (2) recommendations to the Board. First, Staff recommended that the Board use its waiver authority to grant Atlantic Shores’ request to waive Board rules requiring audited financial statements for fiscal year 2021 and the obligation to submit audited quarterly financial statements throughout the 20-year Offshore Renewable Energy Certificate term of the project award. In order to ensure that the Board continues to receive sufficient financial information from Atlantic Shores, Staff shall reevaluate the waiver of the audited quarterly of statements requirement for Atlantic Shores two (2) years following the effective date of the Board order regarding such waiver. Second, Staff recommended that the Board confirm that submission of unaudited quarterly financial statements within 60 days of each fiscal quarter and audited yearly financial statements within 90 days of the end of each fiscal year beginning in fiscal year 2022 shall be considered timely.

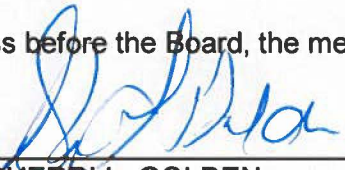
**DECISION:** After discussion, the Board adopted the recommendation of Staff as set forth above.

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|------------------------|-----------------------------------|------------|
| <b>Roll Call Vote:</b> | <b>President Fiordaliso</b>       | <b>Aye</b> |
|                        | <b>Commissioner Holden</b>        | <b>Aye</b> |
|                        | <b>Commissioner Solomon</b>       | <b>Aye</b> |
|                        | <b>Commissioner Gordon</b>        | <b>Aye</b> |
|                        | <b>Commissioner Christodoulou</b> | <b>Aye</b> |

**9. MISCELLANEOUS**

There were no items in this category.

There being no further business before the Board, the meeting was adjourned.



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SHERRI L. GOLDEN  
BOARD SECRETARY

Date: September 27, 2023