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IMMEDIATE RELEASE

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NJBPU Releases Report Showing Proposed Solar Successor Program Can Result in Consumer Savings, Continued Industry Profitability

*Energy Modeling and Analysis in Draft Capstone Report Reveals Positive Benefits
from Program Design*

Trenton, N.J.—The New Jersey Board of Public Utilities (NJBPU) today released the [draft Capstone Report](#) for the State’s next-generation Solar Successor program. The draft report, developed by consultants Cadmus Group, LLC, presents preliminary findings regarding the incentive levels necessary to support continued robust solar development in New Jersey while lowering costs to the State’s four million ratepayers.

“The solar transition is being conducted in an extremely collaborative manner with significant stakeholder input, which is a true reflection of how important the solar industry is – and will continue to be – to the Garden State,” said Joseph L. Fiordaliso, NJBPU President. “The abundant renewable energy and thousands of jobs created by our solar partners throughout the state are critical to reaching Governor Murphy’s vision of 100 percent clean energy in New Jersey. I’m confident that the rigorous approach we’ve applied, and will continue to apply throughout this process, will provide the best possible outcome for a healthy and vibrant industry to those in the business community while ensuring its affordability for New Jersey consumers.”

The draft Capstone Report suggests moving away from the competitive “market-style” approach used in the State’s legacy Solar Renewable Energy Certificate (SREC) program, by establishing a hybrid program that uses a competitive solicitation approach for grid-scale solar projects and a fixed incentive for smaller projects in order to achieve incentive values more closely tailored to the needs of various project types and to maximize cost savings for ratepayers.

The Clean Energy Act of 2018 directed NJBPU to conduct a study on how to replace the SREC program, which NJBPU established in 2004 to complement the State's existing solar rebate program.

NJBPU has conducted the Solar Transition in two phases:

1. the [Transition Incentive Program](#), which NJBPU established in December 2019 and which took effect on May 1, 2020, and
2. the Solar Successor Program, which is currently under development and is the focus of the draft Capstone Report.

NJBPU engaged Cadmus Group, LLC to conduct modeling and analysis on the two phases of the Solar Transition, and to present their findings in a Capstone Report.

NJBPU today released the [draft Capstone Report along with the underlying modeling spreadsheets](#) to enable stakeholders' full examination and response to the model, modeling assumptions, and preliminary results. This month, the agency will conduct two stakeholder meetings in addition to opening a comment period on the report, all of which are detailed in this [Public Notice](#).

These discussions and the additional feedback that NJBPU receives on the report will inform any further modeling and modifications as needed prior to the consultant finalizing the Capstone Report in Fall 2020 and informing the forthcoming staff Straw Proposal on the design of the Solar Successor program.

About the New Jersey Board of Public Utilities (NJBPU)

NJBPU is a state agency and regulatory authority mandated to ensure safe, adequate and proper utility services at reasonable rates for New Jersey customers. Critical services regulated by NJBPU include natural gas, electricity, water, wastewater, telecommunications and cable television. The Board has general oversight and responsibility for monitoring utility service, responding to consumer complaints, and investigating utility accidents. To find out more about NJBPU, visit our website at www.nj.gov/bpu.

About New Jersey's Clean Energy Program (NJCEP)

NJCEP, established on January 22, 2003, in accordance with the Electric Discount and Energy Competition Act (EDECA), provides financial and other incentives to the State's residential customers, businesses and schools that install high-efficiency or renewable energy technologies, thereby reducing energy usage, lowering customers' energy bills and reducing environmental impacts. The program is authorized and overseen by the New Jersey Board of Public Utilities (NJBPU), and its website is www.NJCleanEnergy.com.

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