

STATE OF NEW JERSEY Board of Public Utilities 44 South Clinton Avenue, 1<sup>st</sup> Floor Trenton, New Jersey 08625-0350 www.ni.gov/bpu/

<u>ENERGY</u>

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IN THE MATTER OF THE PETITION OF DSM NUTRITIONAL PRODUCTS TO DIRECT JCP&L TO PROVIDE NET METERING CREDIT FOR EXISTING ON-SITE SOLAR GENERATION FACILITY ORDER SETTING PROCEDURAL SCHEDULE

DOCKET NO. QO21071021

Parties of Record:

James A. Boyd, Jr., Esq., Archer & Greiner, P.C., on behalf of DSM Nutritional Products, LLC Brian O. Lipman, Esq., Director, Division of Rate Counsel Gregory Eisenstark, Esq., Cozen O'Connor, on behalf of Jersey Central Power & Light Company

BY COMMISSIONER MARIAN ABDOU:

On July 29, 2021, DSM Nutritional Products, LLC ("DSM"), a limited liability corporation that operates a manufacturing facility in Belvidere, New Jersey ("Facility"), filed a petition with the New Jersey Board of Public Utilities ("Board") requesting that the Board direct Jersey Central Power & Light Company ("JCP&L" or "Company") to net meter the electricity produced by an on-site solar facility owned by DSM and to provide DSM with a retail credit on its electric bill for the energy produced by the solar facility since the date it commenced operation. In the petition, DSM stated that JCP&L refused to provide net metering treatment because of the existence of a combined heat and power ("CHP") cogeneration facility also located behind DSM's meter, and represented that DSM exhausted all informal means of resolving the matter.

# BACKGROUND AND PROCEDURAL HISTORY

DSM constructed a CHP plant at the Facility in 2012. According to the petition, the CHP runs consistently to produce the steam requirements for the Facility and also produces approximately fifty-five percent of the total electricity needs for the Facility. DSM subsequently constructed two on-site solar generation systems at the Facility in 2014 and 2018, which are referred to below as the "first solar generation system" and the "second solar generation system," respectively. DSM asserts that the solar facilities collectively produce approximately fifteen percent of the Facility's total electricity needs. The first solar generation system has consistently operated as a non-exporting facility, and is not addressed in the petition.

According to the petition, total on-site electrical generation at the Facility produces more electricity than the Facility requires during peak solar production hours on most days. DSM stated that

during such periods, the excess electricity is exported to the JCP&L grid in accordance with an approved February 2019 interconnection agreement between DSM and JCP&L for the second solar generation system. However, DSM stated that it purchases more electricity from JCP&L for the Facility than it exports to the grid on a daily basis, meaning the Facility's daily electricity demand is always greater than the total on-site electric generation.

DSM stated that JCP&L authorized DSM to commence operation of its second solar generation system, sized at 8.8 MW, in February 2019 through an Interconnection Agreement. According to Petitioner, in September 2019, JCP&L denied subsequent Net Energy Metering ("NEM") for the second solar generation system because of the existence of co-located nonrenewable generation without the additional metering necessary to measure its kilowatt-hour production. According to DSM, JCP&L's denial imparted unexpected financial risk because DSM had designed and constructed the second solar generation system on an assumption of entitlement to the NEM retail credits.

DSM requested that the Board, first, direct JCP&L to provide solar net metering credit for all electricity exported to the grid during peak solar production hours, both retroactively to the February 2019 permission to operate and prospectively for operation following issuance of a corresponding Board Order. DSM also requested that the Board determine that the design of the on-site solar generation at the Facility that is the subject of the petition is permitted under all applicable net metering rules, Board Orders, and enabling statutes.

On December 1, 2021, the Board issued an Order retaining the matter at the Board for hearing, designating then-President Joseph Fiordaliso as the presiding commissioner, granting JCP&L's motion to intervene, and granting Bloom Energy participant status, limited to the right to argue orally and to file a statement or brief as set out in N.J.A.C. 1:1-16.6(c)(1) and (2).<sup>1</sup> Additionally, by the December 2021 Order, the Board set a bar date of January 3, 2022. Public Service Electric & Gas Company ("PSE&G") timely filed for intervenor or participant status, and on January 28, 2022, Presiding Commissioner Fiordaliso denied PSE&G's motion to intervene and granted PSE&G participant status.<sup>2</sup>

The parties and participants were provided the opportunity to submit comments by November 10, 2022 and reply comments by November 21, 2022. Subsequently, the parties engaged in settlement discussions in 2023 and 2024. The settlement discussions did not lead to a resolution of the matter. During the pendency of the proceeding, President Fiordaliso passed away, and on January 29, 2025, the Board designated the undersigned as Presiding Commissioner, who is authorized to rule on all motions that arise during the pendency of these proceedings and modify any schedules that may be set as necessary to secure a just and expeditious determination of the issues.<sup>3</sup>

<sup>&</sup>lt;sup>1</sup> In re the Petition of DSM Nutritional Products to Direct JCP&L to Provide Net Metering Credit for Existing On-Site Solar Generation Facility – Order Designating Commissioner, Setting Manner of Service and Bar Date and Ruling on Motions to Intervene, BPU Docket No. QO21071021, Order dated December 1, 2021 ("December 2021 Order").

<sup>&</sup>lt;sup>2</sup> In re the Petition of DSM Nutritional Products to Direct JCP&L to Provide Net Metering Credit for Existing <u>On-Site Solar Generation Facility – Order on PSE&G Motion for Intervention</u>, BPU Docket No. QO21071021, Order dated January 28, 2022.

<sup>&</sup>lt;sup>3</sup> In re the Petition of DSM Nutritional Products to Direct JCP&L to Provide Net Metering Credit for Existing <u>On-Site Solar Generation Facility – Order Redesignating Commissioner</u>, BPU Docket No. QO21071021, Order dated January 29, 2025.

## **DISCUSSION AND FINDINGS**

Considering the need for an expeditious resolution of the issues presented, I <u>HEREBY</u> <u>ORDER</u> the parties to this proceeding to comply with the procedural schedule identified in Exhibit A attached hereto.<sup>4</sup>

In addition, in compliance with the Board's Orders in Docket No. EO20030254, I <u>HEREBY</u> <u>DIRECT</u> all parties to this proceeding to serve all documents electronically.<sup>5</sup> No hard copies shall be filed until the Board lifts the restrictions imposed by the Orders.

I **<u>FURTHER</u> <u>DIRECT</u>** that this Order be posted on the Board's Website.

This provisional ruling is subject to ratification or other alteration by the Board as it deems appropriate during the proceedings in this matter.

DATED: February 28, 2025

Marian Alaton

BY:

MARIAN ABDOU COMMISSIONER

<sup>&</sup>lt;sup>4</sup> Petitioner DSM has circulated a list of proposed items for the record in compliance with the first deadline in the attached schedule.

<sup>&</sup>lt;sup>5</sup> In re the New Jersey Board of Public Utilities' Response to the COVID-19 Pandemic for a Temporary Waiver of Requirements for Certain Non-Essential Obligations, BPU Docket No. EO20030254, Orders dated March 19, 2020 and June 10, 2020.

## IN THE MATTER OF THE PETITION OF DSM NUTRITIONAL PRODUCTS TO DIRECT JCP&L TO PROVIDE NET METERING CREDIT FOR EXISTING ON-SITE SOLAR GENERATION FACILITY

# DOCKET NO. QO21071021

# Exhibit A Procedural Schedule

DSM to circulate its list of proposed documents for the record	
	February 21, 2025
All parties to provide additional documents for the record and	
objections to DSM's list (if any)	February 28, 2025
DSM to circulate a revised list, noting all documents that are	
included but to which the parties cannot agree	March 5, 2025
The parties to file initial briefs on the retroactive recovery	
issue	March 7, 2025
The parties to file reply briefs on the retroactive recovery issue	
and arguments regarding the disputed record documents	March 14, 2025

### IN THE MATTER OF THE PETITION OF DSM NUTRITIONAL PRODUCTS TO DIRECT JCP&L TO PROVIDE NET METERING CREDIT FOR EXISTING ON-SITE SOLAR GENERATION FACILITY BPU DOCKET NO. Q021071021

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