



Governor Christie Builds on Record of Growing Renewable Energy Sources with Action to Strengthen Solar Market

Bipartisan Legislation Advances Administration's Commitment to Development of Renewable Energy Resources in New Jersey

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Trenton, NJ – Taking action that continues the Christie Administration's commitment to fostering the development of renewable energy resources in New Jersey, Governor Chris Christie today signed into law bipartisan legislation to strengthen and encourage the continued growth of New Jersey's solar industry, while protecting ratepayers from increased costs. The bill, S-1925, couples an acceleration of the renewable portfolio standard (RPS) for solar energy with a reduction of the solar alternate compliance payments, meeting an important goal of the Governor's 2011 Energy Master Plan (EMP), strengthening the solar market in New Jersey, and securing the state's place as a national solar energy leader.

"Since my time running for office, I made it clear that my Administration would be unrivaled in our aggressive support for the development of renewable sources of energy in New Jersey. Renewable energy not only helps meet our goals of increasing sustainability and protecting the environment, but can be an engine for economic growth and the creation of good-paying jobs for the people of our state," said Governor Christie. "The bill I am signing today furthers these goals and will help us remain a national leader in the solar energy industry as we continue to promote innovative approaches to solar development, like developing landfills and other unusable lands and transforming them into sources of usable clean energy, all while holding down costs for families and businesses."

Solar Alternative Compliance Payments (SACPs) set a ceiling on the market price of Solar Renewable Energy Certificates (SRECs), which the suppliers and providers of electricity are required to purchase in an amount that satisfies the annual RPS requirement. The Division of Rate Counsel estimates that the law will save ratepayers approximately \$1.076 billion over the next 15 years as compared to the current solar subsidy schedule.

Demand for SRECs is set by the Renewable Portfolio Standard ("RPS"). Under the bill, the 15-year RPS schedule is changed from a fixed megawatt requirement each year to a percentage of overall energy usage in New Jersey, ensuring that the level of solar obligation rises and falls with overall energy demand, which can vary due to economic factors as well as the success of energy efficiency and conservation programs.

Under the legislation, the Board of Public Utilities ("Board") has the authority to review all proposed grid-supply solar projects, except for a limited amount (80 MW a year) for Energy Years 2014 through 2016, consistent with the Christie Administration's objective of promoting dual-benefit net-metered projects and discouraging large-scale solar projects on farmland and open space; creates a sub-program to incent the development of solar projects on landfills and brownfields; and lowers costs for participating schools and government entities through net-metering aggregation.

New Jersey installed more solar capacity in the first quarter of 2012 than any other state, and led the nation in solar installations on commercial and industrial properties in 2011. There are over 16,000 solar installations on homes, offices, schools, and hospitals throughout the state. The state currently has over

800 MW in installed capacity and another 600 MW of solar in various stages of installation. Of the electricity generated in New Jersey, over 1% now comes from solar energy.

Governor Christie has acted on a commitment to aggressively support renewable energy generation in New Jersey. According to the Department of Energy, New Jersey has the 7th highest Renewable Energy Portfolio Standard in the nation at 22.5% by 2021. 13 states maintain no renewable energy standard whatsoever. In addition, Governor Christie's 2011 Energy Master Plan commits to no new coal-fired plants in New Jersey, ensuring that additional generation capacity comes from cleaner sources.

Sponsors of the legislation include Senate President Stephen M. Sweeney (D-Cumberland, Gloucester, Salem) and Senator Bob Smith (D-Middlesex and Somerset).

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