

**CLEAN ENERGY** 

# STATE OF NEW JERSEY

Board of Public Utilities 44 South Clinton Avenue, 1<sup>st</sup> Floor Trenton, New Jersey 08625-0350 www.nj.qov/bpu/

) ) ) ) )	ORDER
)	DOCKET NO. QO24010016
) ) )	DOCKET NO. QO20080563
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### Parties of Record:

**Brian O. Lipman, Esq., Director**, New Jersey Division of Rate Counsel **Adam L. Peterson, Esq.** Pearlman & Miranda, LLC

### BY THE BOARD:

On October 28, 2024, Monmouth Solar 1, LLC ("Monmouth Solar") filed a Certification of Tolling Event ("Certification") with the New Jersey Board of Public Utilities ("Board" or "BPU"). Monmouth Solar seeks a two (2)-year extension of commercial operation deadline ("COD") for a solar electric power generation facility in the Transition Incentive ("TI") Program pursuant to P.L. 2023, c.158. The facility is 21.159 MWdc located at the Monmouth County Howell Landfill site in Monmouth County, New Jersey ("Project"). The Project received conditional certification of eligibility to generate Transition Renewable Energy Certificates ("TRECs") by Order dated October 28, 2021. The Project was registered in the TI Program on December 9, 2021, and was directed by the Board to reach commercial operation within thirty-six (36) months of project registration in accordance with N.J.A.C. 14:8-10.4(f)(4)(ii)(3), as modified by the TI Extension Order.<sup>2</sup> By this Order, the Board confirms a two (2)-year extension of the Project.

<sup>&</sup>lt;sup>1</sup> <u>In re Monmouth Solar 1, LLC (HESP), Monmouth County Howell Landfill,</u> BPU Docket No. QO20080563, Order dated October 28, 2021 ("October 2021 Order").

<sup>&</sup>lt;sup>2</sup> In re a New Jersey Solar Transition Pursuant to P.L.2018, c.17, Order Granting up to 12-Month Extension for Projects Seeking an Incentive Pursuant to Subsection (t) in the Solar Transition Incentive Program, BPU Docket No. QO19010068, Order dated August 17, 2022 ("TI Extension Order").

## **BACKGROUND**

On July 23, 2012, the Solar Act of 2012 was signed into law.<sup>3</sup> The Solar Act amended certain aspects of the statute governing generation, interconnection, and financing of renewable energy. Among other actions, the Solar Act required the Board to conduct proceedings to establish new standards and develop new programs to implement the statute's directives.

The Solar Act – specifically, Subsection (t) – provides that:

No more than 180 days after [July 23, 2012], the board shall, in consultation with the Department of Environmental Protection and the New Jersey Economic Development Authority, and, after notice and opportunity for public comment and public hearing, complete a proceeding to establish a program to provide SRECs to owners of solar electric power generation facility projects certified by the board, in consultation with the Department of Environmental Protection, as being located on a brownfield, on an area of historic fill or on a properly closed sanitary landfill facility. . . . Projects certified under this subsection shall be considered "connected to the distribution system" [and] shall not require such designation by the board[.]

[N.J.S.A. 48:3-87(t)(1).]

The Solar Act defines the terms "brownfield," "historic fill," and "properly closed sanitary landfill facility." A "brownfield" is "any former or current commercial or industrial site that is currently vacant or underutilized and on which there has been, or there is suspected to have been, a discharge of a contaminant." N.J.S.A. 48:3-51. "Historic fill" is "generally large volumes of nonindigenous material, no matter what date they were emplaced on the site, used to raise the topographic elevation of a site . . . . " Ibid. A "properly closed sanitary landfill facility" means "a sanitary landfill facility, or a portion of a sanitary landfill facility, for which performance is complete with respect to all activities associated with the design, installation, purchase, or construction of all measures, structures, or equipment required by the Department of Environmental Protection. ..." <u>Ibid.</u>

By Order dated January 24, 2013, the Board approved Board Staff's ("Staff's") proposed process for certifying solar generation projects as being located on brownfields, areas of historic fill, and properly closed sanitary landfill facilities.4 The process incorporated the expertise of the New Jersey Department of Environmental Protection ("NJDEP") to confirm a project's land use classification for eligibility and to account for the state of remediation of the project site. The January 2013 Order states that conditional certification may be granted for projects located on sites which NJDEP has determined require further remedial action or, in the case of properly closed sanitary landfill facilities, additional protective measures, and full certification may be

<sup>&</sup>lt;sup>3</sup> L. 2012, c. 24 ("Solar Act").

<sup>&</sup>lt;sup>4</sup> In re the Implementation of L. 2012, c. 24, N.J.S.A. 48:3-87(t) – A Proceeding to Establish a Program to Provide SRECs to Certified Brownfield, Historic Fill and Landfill Facilities; and In re the Implementation of L. 2012. c. 24. N.J.S.A. 48:3-87(U) – A Proceeding to Establish a Registration Program for Solar Power Generation Facilities, BPU Docket Nos. EO12090862V & EO13010009V, Order dated January 24, 2013. ("January 2013 Order").

granted for projects located on sites for which NJDEP has determined no further remedial or protective action is necessary. Certification would be limited to those areas delineated by NJDEP. In compliance with this directive, applicants are required to delineate the precise section(s) of the location where the solar facility is proposed to be sited, and NJDEP reviews this material in making its recommendation.

On May 23, 2018, Governor Murphy signed the Clean Energy Act into law.<sup>5</sup> The CEA mandated that the Board close the legacy Solar Renewable Energy Certificate ("SREC") Program ("SRP") once it determined that 5.1% of the kilowatt-hours sold in the State had been generated by solar electric power generators connected to the distribution system ("5.1% Milestone") or, in the alternative, by no later than June 2021. By Order dated December 18, 2018, the Board approved the adoption of rule amendments to close the SRP to new applications upon attainment of the 5.1% Milestone.<sup>6</sup> Pursuant to these rules, the Board determined that the 5.1% Milestone would be reached prior to May 2020 and closed the SRP on April 30, 2020.

Prior to closure of the SRP, by Order dated December 6, 2019, the Board established the TI Program to provide a bridge between the legacy SRP and a to-be-developed Successor Program. The TI Program provided eligible projects with TRECs for each megawatt-hour ("MWh") of electricity produced. Incentives are calculated by multiplying the base incentive rate of \$152/MWh by a numerical factor specific to each project type. Subsection (t) projects are eligible to receive the full amount of the base incentive. The TI Program portal opened to new registrations on May 1, 2020, and remained open to new registrations until the establishment of a registration program for the new Successor Program.

In the TI Extension Order, the Board waived its rules and modified prior orders to allow up to a twelve (12)-month extension to certain Subsection (t) projects in the TI Program – all projects conditionally certified and registered, and projects with applications pending review at the Board or NJDEP that receive conditional certification in the future.

On September 12, 2023, Governor Murphy signed P.L. 2023 c.158, N.J.S.A. 48:3-121 ("Act") into law. The Act provides for a two (2)-year extension of the project completion or commercial operation deadline date established for qualifying solar electric generation facilities that "received by Board Order conditional certification to participate in a solar incentive program pursuant to subsection t. of section 38 of P.L. 1999, c.23 (C.48:3-87)" but that would not meet their COD due to a tolling event.

A "tolling event" is defined as "any action or inaction of the PJM Interconnection, L.L.C., any moratorium in new applications declared by the PJM Interconnection, L.L.C., any deferral in processing of existing applications by the PJM Interconnection, L.L.C., any new application

<sup>6</sup> In re Rulemaking to Implement Certain Sections of P.L. 2018, Chapter 17, Regarding Closing the SREC Program to New Registrations Following the Attainment of 5.1 Percent of Total Kilowatt-hours Sold in the State from Solar Electric Power Generators Connected to the State's Electric Distribution System, BPU Docket No. QO18060647, Order dated December 18, 2018.

<sup>&</sup>lt;sup>5</sup> L. 2018, c. 17 ("CEA").

<sup>&</sup>lt;sup>7</sup> In re a New Jersey Solar Transition Pursuant to P.L. 2018, c.17, BPU Docket No. QO19010068, Order dated December 6, 2019.

<sup>&</sup>lt;sup>8</sup> In re a New Jersey Solar Transition Pursuant to P.L. 2018, c. 17, BPU Docket No. QO19010068, Order dated January 8, 2020.

process, study, report or analysis established by the PJM Interconnection, L.L.C., to approve and contract a project, the deferral to negotiate, execute, and deliver any other engineering or other studies, agreements, or approvals required by the PJM Interconnection, L.L.C., as a prerequisite to project interconnection or commercial operation of a qualified solar electric power generation facility." N.J.S.A. 48:3-121(f).

The Act specifies that the two (2)-year extension shall be "beyond what otherwise would be the deadline for the qualified solar electric power generation facility to achieve commercial operation pursuant to the applicable board order granting conditional certification." N.J.S.A. 48:3-121(a).

To obtain the extension, the person or entity pursuing the development of a qualified solar electric power generation facility, defined in the Act as the Project Sponsor, must "certify in writing, and provide supporting documentation, to the board of the occurrence of the tolling event. The certification shall describe the tolling event, the date of application to PJM Interconnection, L.L.C., and the anticipated duration of the delay associated with the tolling." N.J.S.A. 48:3-121(b)(1).

The Act directs that upon receipt of a certification, the Board shall "issue an unconditional Order approving the automatic extension of the project deadline date or commercial operation deadline date established for the facility, whether established by law, rule, regulation, board order, incentive program registration acceptance letter, or other approval or authorization for that facility." The Order shall also "be issued by the board on a non-discretionary basis, and no factual investigation or hearing by the board shall be conducted." N.J.S.A. 48:3-121(b)(2).

The Project received conditional certification of eligibility to generate TRECs in the October 2021 Order. The Project was registered in the TI Program on December 9, 2021 (NJSTRE1548083990) with a twenty-four (24)-month COD of December 9, 2023. Pursuant to N.J.A.C. 14:8-10.4(f)(4)(ii)(3) and the TI Extension Order, the Project received its first six (6)-month extension on March 20, 2024, with a new COD of June 9, 2024. On June 14, 2024, the Project was granted its second six (6)-month extension with a new COD of December 9, 2024.

Pursuant to the Act, on October 28, 2024, Monmouth Solar filed a Certification of Tolling Event for the Project. According to the Certification, Monmouth Solar "has sought in good faith to advance the project pursuant to its TI Program deadlines, but the project has suffered delays stemming directly from PJM's interconnection queue backlog." In compliance with the Act, the Project sponsor has also provided a description of the tolling event, supporting documentation of the occurrence of the tolling event, the date of application to PJM Interconnection, L.L.C., and the anticipated duration of the delay associated with the tolling event.

## **DISCUSSION AND FINDINGS**

As noted above, the Certification has been filed with the Board pursuant to the Act. The Act provides that upon receipt of a certification of the tolling event, the Board shall "issue an unconditional order approving an automatic extension of the project deadline date or commercial operation deadline date established for the facility, whether established by law, rule, regulation, board order, incentive program registration acceptance letter, or other approval or authorization for that facility." The Order shall be issued on a non-discretionary basis, with no factual investigation or hearing by the board, and shall extend the previously established project completion or commercial operation deadline date for the facility by an amount of time coextensive with the duration of the tolling event.

After consideration of the information provided by Monmouth Solar, the Board HEREBY FINDS Monmouth Solar's Certification of the solar electric power generation facility - located at the Monmouth County Howell Landfill site and registered in the TI Program as NJSTRE1548083990 - in accordance with the requirements set forth in P.L. 2023 c.158. The Board ACCEPTS the Certification in full satisfaction of the requirements set forth in the Act. Accordingly, the Board CONFIRMS that the expiration date for the facility is extended by two (2) years to December 9. 2026.

Pursuant to the terms of the Act, Monmouth Solar has a continuing obligation to apprise the Board regarding the nature and extent of the tolling event and its anticipated duration. The Board ORDERS Monmouth Solar to submit a quarterly milestone reporting form for the facility that has received an extension through this Order.

The effective date of this Order is March 26, 2025.

**DATED: March 19, 2025** 

**BOARD OF PUBLIC UTILITIES** BY:

CHRISTINE GUHL SADOVY **PRESIDENT** 

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COMMISSIONER

COMMISSIONER

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ATTEST:

BOARD SECRETARY

I HEREBY CERTIFY that the within document is a true copy of the original in the files of the Board of Public Utilities.

IN THE MATTER OF P.L. 2023, c. 158, AN ACT THAT EXTENDS DEADLINES, UNDER CERTAIN CIRCUMSTANCES, FOR COMPLETION AND COMMERCIAL OPERATION OF CERTAIN SOLAR ELECTRIC POWER GENERATION FACILITIES NOTIFICATION AND CERTIFICATION OF TOLLING EVENT AND AGREEMENT PROCESSING BY PJM INTERCONNECTION LLC ("PJM")

MONMOUTH COUNTY HOWELL LANDFILL - APPLICATION FOR SUBSECTION (T) BLOCK 42, LOT 93, 94 & 94A

#### DOCKET NOS. QO24010016 AND QO20080563

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