State of New Jersey Governor Philip D. Murphy Lt. Governor Tahesha L. Way

Board of Public Utilities







Christine Guhl-Sadovy President

Dr. Zenon Christodoulou Marian Abdou Michael Bange Commissioners

NOTICE1

IN THE MATTER OF NET METERING FOR CLASS I RENEWABLE ENERGY SYSTEMS

Docket No. QO24090723

TAKE NOTICE that Staff of the New Jersey Board of Public Utilities ("Staff") invites all interested parties and members of the public to participate in a virtual public meeting to discuss the New Jersey Board of Public Utilities' ("Board") net metering policies. The workshop will present a jurisdictional review of net metering policies and reforms undertaken in other states and will also introduce upcoming stakeholder proceedings and opportunities for comment. Staff seeks stakeholder input on the successes and obstacles of comparable approaches to guide the policy planning process for future changes in net metering.

Background

On May 23, 2018, Governor Phil Murphy signed the Clean Energy Act of 2018, <u>L.</u> 2018, <u>c.</u> 17 ("CEA"), into law, thereby requiring the Board to adopt net metering standards for electric service providers in the State.² Net metering is a system of metering and billing for electricity in which an electricity provider and/or electric distribution company:

- 1. Credits a customer-generator at the full retail rate for each kilowatt-hour produced by a class I renewable energy system installed on the customer-generator's side of the electric revenue meter, up to the total amount of electricity used by that customer during an annualized period determined under 14:8-5.3: and
- 2. Compensates the customer-generator at the end of the annualized period determined under 14:8-5.3 for any remaining credits, at a rate equal to the supplier or provider's avoided cost of wholesale power.³

Net metering permits owners and operators of class I renewable energy generation facilities to receive credits for any electricity that is supplied back to the electric grid. In New Jersey, net metering is predominantly utilized for solar installations at residential, commercial, and public entity locations. Net metering must be offered at non-discriminatory rates to accommodate systems of any sized capacity.⁴

The CEA specifies that "the [B]oard may authorize an electric power supplier or basic generation service provider to cease offering net metering to customers that are not already net metered wherever the total generating capacity owned and operated by net metering customer-generators Statewide will exceed 5.8 percent of the total annual kilowatt-hours sold in this State by each electric power supplier and each basic generation service provider during the prior one-year period."⁵

¹ Not a paid legal advertisement.

² N.J.S.A. 48:3-87(b).

³ N.J.A.C. 14:8-1.2.

⁴ N.J.S.A. 48:3-87(e)(1).

⁵ <u>ld.</u>

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Staff calculates that, during Energy Year 2024 – which ended May 31, 2024 – the State exceeded 5.8 percent of the total annual kilowatt-hours sold in-State by net metering customer-generators.

Staff is therefore initiating a proceeding with a robust stakeholder process to develop recommendations to the Board for potential implementation of an updated mechanism of net metering for new customers that facilitates the State's least-cost path to achieve its clean energy goals, supports the State's solar industry, and promotes equity in access to the benefits of clean energy.

Staff invites all interested parties and members of the public to virtually join on the following date and time to see the presentation on the Board's net metering policies:

VIRTUAL PUBLIC MEETING

DATE: Tuesday November 19, 2024

TIME: 12:30 pm – 3:00 pm **LOCATION:** Zoom Virtual Webinar

REGISTRATION: https://us06web.zoom.us/webinar/register/WN Nc8LEPkcRLKzypOJNIzu8A

Staff will host this stakeholder workshop along with its consultant, The Brattle Group. Please note that the public meeting will be conducted via Zoom. You must register for the public meeting to attend, using the link provided above. Stakeholders and members of the public are invited to participate and may ask questions. To encourage full participation, please submit any requests for needed accommodations, such as interpreters and/or listening assistance, 48 hours prior to the above meeting to the Board Secretary at board.secretary@bpu.nj.gov. If you want to request a speaking opportunity, please register at least 48 hours before the start of the meeting and indicate your request to speak during the online registration process. After registering, you will receive a confirmation email containing information about joining the meeting and information about checking your system requirements in advance of the meeting.

Questions on this stakeholder process may be directed to Sawyer Morgan at Sawyer.Morgan@bpu.nj.gov.

All public comments should be filed under Docket No. QO24090723. Please submit comments directly to the specific docket listed above using the "Post Comments" button on the Board's Public Document Search tool. Comments are considered "public documents" for purposes of the State's Open Public Records Act and any confidential information should be submitted in accordance with the procedures set forth in N.J.A.C. 14:1-12.3. Written comments may also be submitted to:

Secretary of the Board

44 South Clinton Ave., 1st Floor PO Box 350 Trenton, NJ 08625-0350

Phone: 609-292-1599

Sherri L. Golden

Email: board.secretary@bpu.nj.gov

Board Secretary

Dated: November 8, 2024