

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

Board of Public Utilities



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Christine Guhl-Sadovy  
President

Dr. Zenon Christodoulou  
Marian Abdou  
Michael Bange  
Commissioners

## NOTICE<sup>1</sup>

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

[Docket No. QO24090723](#)

**PLEASE TAKE NOTICE** that Staff of the New Jersey Board of Public Utilities (“Staff”) hereby invites all interested parties and members of the public to attend a virtual public meeting regarding the New Jersey Board of Public Utilities’ (“Board”) net metering policies. Board Staff and its consultant, The Brattle Group (“Brattle”), will hold a Technical Conference (“Conference”) for stakeholders to present their perspectives on possible designs of a net energy metering (“NEM”) successor policy in NJ. This notice provides guidance on the process, format, and content of stakeholder proposals for the Conference.

#### VIRTUAL TECHNICAL CONFERENCE

**DATE:** February 10, 2025  
**TIME:** 1 pm – 5 pm \*  
**LOCATION:** Zoom Virtual Webinar  
[https://us06web.zoom.us/webinar/register/WN\\_NsatBk3ATp-ullyQYGeSQ](https://us06web.zoom.us/webinar/register/WN_NsatBk3ATp-ullyQYGeSQ)

Staff will host this Conference along with its consultant, Brattle. The public meeting will be conducted via Zoom. All who wish to attend must register for the public meeting using the link provided above. Stakeholders and members of the public are invited to participate. 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](mailto:board.secretary@bpu.nj.gov). To request a speaking opportunity, please follow the process below. 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](mailto:Sawyer.Morgan@bpu.nj.gov).

Technical Conference presenters, stakeholders, and the general public are encouraged to submit post-Conference comments. **The deadline for comments on this matter is 5 p.m. on March 3, 2025.** 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.

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<sup>1</sup> Not a paid legal advertisement.

Written comments may also be submitted to:

**Secretary of the Board**

44 South Clinton Ave., 1<sup>st</sup> Floor

PO Box 350

Trenton, NJ 08625-0350

Phone: 609-292-1599

Email: [board.secretary@bpu.nj.gov](mailto:board.secretary@bpu.nj.gov)

**Presentation Submission Process**

Organizations and stakeholders interested in presenting at the Conference must submit an expression of interest and brief abstract ahead of time by emailing [Sawyer.Morgan@bpu.nj.gov](mailto:Sawyer.Morgan@bpu.nj.gov). The email should contain a subject line of “EOI for net metering technical conference.” Brattle and Board Staff will then screen the abstracts for relevance and confirm a presentation slot for the organization. Presentation slots will be scheduled according to their respective topic. Please submit expressions of interest according to the timeline below.

<b>Stakeholders submit expression of interest to present</b> , including a brief description of the presentation (under 100 words), to <a href="mailto:Sawyer.Morgan@bpu.nj.gov">Sawyer.Morgan@bpu.nj.gov</a>	<b>by Jan. 9, 2024</b>
<b>Brattle/Board to notify presenters of acceptance or denial</b>	<b>by Jan. 17, 2024</b>
<b>Technical Conference</b>	<b>Feb. 10, 2025</b>

**Presentation Format and Content**

Presentations should be in slideshow format and will be made publicly available following the Conference. **Stakeholder presentations will be limited to a maximum of 20 minutes.** Stakeholders may request an exception to this time limit in their expression of interest. If requesting an exception, please describe how much extra time is requested and why.

Presentations should summarize the stakeholder’s preferred approach for at least one key design consideration of a NEM successor policy; these may include considerations discussed in Stakeholder Workshop #1 on November 19, 2024, as well as any additional considerations that might be relevant. The table below summarizes the key policy design elements discussed in the prior Stakeholder Workshop.

<b>Timeline</b>	Dates by which policy changes should come into effect or be phased in/out.
<b>Legacy projects</b>	How long existing NEM customers are allowed to remain on the existing NEM structure
<b>Compensation mechanism</b>	<ul style="list-style-type: none"><li>• <b>Traditional NEM:</b> Customer generation offsets consumption; excess generation is credited to account at the retail volumetric rate. Retail rates may vary.</li><li>• <b>Net billing:</b> Balance of generation and consumption is measured as net imports or exports; exports are compensated at a different rate than the volumetric charge.</li><li>• <b>Buy all – sell all:</b> Customers pay for their gross consumption and are compensated for gross generation at a predetermined sell rate.</li></ul> <b>Other compensation mechanisms:</b> Entirely new ideas or suggestions based on experience from jurisdictions not included in the jurisdictional review are welcome.

<b>Eligible technologies</b>	Which technologies should be eligible for the new tariff, including consideration for multiple behind-the-meter generators, as well as storage.
<b>System size limits</b>	Maximum system size (e.g. annual generation, capacity) to be eligible for new tariff.
<b>Enrollment cap</b>	Limit (if any) on total amount of installed capacity on the new tariff.
<b>Export/sell rate</b>	How should the rate at which solar customers are compensated be determined?
<b>Netting interval</b>	The frequency of netting (hourly, instantaneous, etc.) applicable
<b>Treatment of time-varying rates</b>	Should NEM customers be on time-varying rates? How should this affect NEM compensation?
<b>Credit retention</b>	Treatment of excess credit payments if the customer has net excess generation.
<b>Grid services payments</b>	Any separate payment intended to compensate DER customers for distribution grid services.
<b>Grid access charges</b>	Any payment charged only to DER customers, generally intended to reduce the scale of cost shifts to non-DER customers.
<b>Non-bypassable charges</b>	Charges that must be paid every billing period and cannot be offset even if the customer has net excess generation.

Presenters are also encouraged to describe major enablers and barriers to efficiently and fairly evolving the NEM structure. These may include technical, economic, social, and environmental perspectives including, but not limited to, the following:

- How will increasing penetration of distributed energy generation and storage affect NEM protocols, and at what levels?
- What is the optimal method of transition from traditional fixed NEM rates to alternative or market-driven compensation methods?
- In what way should EDCs be entitled to recover lost revenue from reduced volumetric sales?
- What are possible financial risks that could be created by changes?
- How do costs and benefits of NEM policies vary between low-income and disadvantaged communities (LIDACs) and non-LIDACs?
- How do remote net metering and community solar relate to net metering and affect clean energy adoption in LIDACs?

Board Staff and Brattle will take stakeholder presentations into consideration when developing a shortlist of potential NEM successor policy options in the subsequent phase of this stakeholder process. Presentations that are concise and focused, with specific recommendations, will be most useful to this process.

Parties not selected as panelists will still have the opportunity to make public comments, time permitting.

## **Background**

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

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<sup>2</sup> N.J.S.A. 48:3-87(b).

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.<sup>3</sup>

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 capacity.<sup>4</sup>

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.”<sup>5</sup>

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 conducting 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.

On November 19, 2024, the Board held the first Stakeholder Workshop on this topic, during which Brattle presented a jurisdictional review of net metering policies.

*Sherri L. Lewis*

Sherri L. Lewis  
Board Secretary

Dated: February 5, 2025

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<sup>3</sup> N.J.A.C. 14:8-1.2.

<sup>4</sup> N.J.S.A. 48:3-87(e)(1).

<sup>5</sup> Id.

**\* AGENDA**

<b>Time</b>	<b>Presenter</b>
1:00-1:05	NJBPU
1:05-1:30	NJSEC and SEIA Ad-hoc Committee
1:30-1:55	Vote Solar
1:55-2:20	Mid-Atlantic Solar and Storage Industries Association
2:20-2:45	Core Renewables
2:45-3:00	Break
3:00-3:35	Rate Counsel
3:35-4:00	NJ Utilities Association
4:00-4:25	Rockland Electric Company
4:25-4:50	Atlantic City Electric