

Transition Incentive (TI) Program and Administratively Determined Incentive (ADI) Program

Informational Session and Stakeholder Meeting

April 20, 2022

New Jersey's
Clean Energy Program™

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<https://www.nj.gov/bpu/newsroom/public>

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Agenda

- Welcome, Introductions, Housekeeping
- Part I:
 - Transition Incentive (TI) Program Project Completion Requirements
 - Administratively Determined Incentive (ADI) Program Updates
 - Q&A
- Part II:
 - Changes to the ADI Program Disclosure Forms
 - Public Comments

Transition Incentive Program

- Projects reaching their project completion deadline **must**:
 - Obtain PTO from the relevant Electric Distribution Company, and
 - Submit a Final As Built (i.e. post construction certification) Packet to the TI Program online portal prior to the project's completion deadline.
- <https://njcleanenergy.com/renewable-energy/programs/transition-incentive-program>

Transition Incentive Program

- Per the Board's April 6, 2022 Order, if a Final As Built is submitted by the project completion deadline, but is found to be deficient or incomplete, then:
 - Scenario 1: If the expiration date is less than 30 days from the date the registrant is notified of the deficiency, the registrant will be provided 30 days from being notified of the deficiency to correct the deficiency. If the registrant fails to correct the deficiency within the grace period allowed, the registration will be canceled, and the project will no longer be permitted to participate in the TI Program.
 - Scenario 2: If the expiration date is more than 30 days from the date the registrant is notified of the deficiency, the registrant has until their expiration date to correct the deficiency. If the registrant fails correct the deficiency, the project will no longer be permitted to participate in the TI Program.

Transition Incentive Program

- The TI Program does not provide for as-of-right extensions.
- Per the Board's January 26, 2022 Order: projects that had an active registration in the TI Program as of January 26, 2022 may re-register in the ADI Program. These projects are exempt from the requirement that projects seeking eligibility for the ADI Program must submit a complete ADI Program registration package and receive a notice of conditional registration prior to beginning construction on the facility.
- The Board is considering petitions requesting extensions of TI Program deadlines on a case-by-case basis.
- Four petitions have been denied to date, can be found at:

<https://njcleanenergy.com/renewable-energy/program-updates-and-background-information/solar-proceedings>

Transition Incentive Program

- Applicants with projects for which more than one factor apply (e.g., a project that is partially roof mounted and partially ground mounted) may split their project and submit separate applications for each project type. Each individual project must have a distinct ANSI c-12 revenue grade meter dedicated to TREC creation. Failure to split the project into two separate projects and applications would result in the lower factor applying to the entire project.
- If you are adding capacity to a previously installed system that participated in the SREC Registration Program or any previous NJ solar program where the solar system was eligible for SRECs (Solar Renewable Energy Certificates), you are **required to install a new revenue grade meter and separately meter the production for the newly added capacity.**

ADI Program Key Eligibility Requirements

The ***ADI Program*** provides administratively set incentive values for net metered residential projects, net metered non-residential projects of 5 MW or less, community solar projects, and, for an interim period, projects previously eligible to seek conditional certification from the Board under Subsection (t).

- Solar facilities that obtained PTO prior to the opening of the ADI Program (August 28, 2021) must petition the Board for permission to register in the ADI Program.
- Solar facilities must register in the ADI Program and receive a notice of conditional registration prior to commencing construction.
 - **Exception:** Pursuant to the Board's April 6, 2022 waiver, projects beginning construction prior to May 31, 2022 may submit an ADI Program registration even after beginning construction. After May 31, 2022, any project having been found to have begun construction before receiving a notice of conditional registration will be required to petition the Board.

ADI Program Key Eligibility Requirements

- All solar equipment must be new.
- Solar facilities must be connected to a distribution or transmission system owned or operated by a New Jersey public utility or local government unit.
- Solar facilities receiving incentives that are 1 MW (dc) or greater in size are subject to the Prevailing Wage Act N.J.S.A. 34:11-56.25, et seq.
- Facilities shall not be permitted to increase their generating capacity by more than 10 percent or 25 kW (dc), whichever is smaller, from the capacity noted in the acceptance letter. System size increases within these limits can be reflected on the Final As Built documents which includes a revised site map.
- In case of an increase in system size, the registrant is required to notify Board Staff and the ADI Processing team at njreinfo@njcleanenergy.com and include the Request to Increase form and a revised site map. This form can be found on the NJ Clean Energy website.

ADI Program Key Eligibility Requirements

- Solar facilities that have increased their generating capacity above 10 percent or 25 kW must either remove panels to become compliant or submit a petition to the Board for a waiver of this rule provision.
- Under no circumstances can an ADI solar facility increase the system's capacity by any amount that would expand the project beyond 5 MWdc.
- Systems can decrease in size from the initial registration submitted. The revised system size can be reflected on the Final As Built documents which includes a revised site map.

ADI Program Capacity Blocks EY22

- The ADI Program Energy Year 2022 Capacity Blocks will remain open to new registrations for each market segment on a first come, first serve basis until the MW block for that market segment is fully subscribed, or until May 31, 2022, whichever comes first.
- A capacity block is defined as being fully subscribed when the last registration received in the ADI portal causes the total capacity of all registrations in a particular market segment to exceed the capacity block.
- Once the capacity block has been filled, the registration portal will be closed to new registrations for that market segment.
- There will not be an option for a waiting list for projects seeking to enter a capacity block for a market segment that has been fully subscribed.
- Capacity is tracked and is publicly available on the homepage of the ADI portal.

ADI Capacity Blocks for EY22

Market Segment	Capacity Block (kW dc)	Capacity Subscribed (kW dc)	Capacity Available (kW dc)
1. Net-Metered Residential (All Sizes)	150,000	102,426	47,574
2. Net-Metered Non-Residential (All Installation Types)	150,000	2,490	147,510
3. Community Solar LMI and Non-LMI	150,000	Not currently open to new registrations	
4. Interim Subsection (t)	75,000	0	75,000

*as of April 19, 2022, available at: <https://njadi.programprocessing.com/>

- The ADI Program Energy Year 2023 Capacity Blocks will be set by the Board prior to the start of the Energy Year (June 1, 2022).

Q&A

ADI Program Disclosure Forms

- Consumer Disclosure Forms are designed to provide customers key information regarding the contractual rights and obligations specified in their solar contracts in a form that is easily understandable and accessible.
- A signed Disclosure Form must be provided as part of all net metered project's initial ADI Program registration packages.
- As there are different financial arrangements for different solar customers, NJBPU has provided three different standard Disclosure Forms for the most common solar contracts: purchase agreements (i.e. direct ownership), lease agreements, and power purchase agreements (PPAs).

ADI Program Disclosure Forms

- A recent review of the Disclosure Forms has revealed numerous issues with their use that are inconsistent with the intent and objectives of the forms.
- Many Disclosure Forms submitted with ADI Program registrations were completed in a manner that is inconsistent with the intent of the Forms, including:
 - Modifications to the Disclosure Forms;
 - Disclosure Forms embedded into the solar contract in a way that makes it easy for a consumer to overlook the Disclosure Form;
 - Submitting TI Disclosure Forms for ADI projects.

ADI Program Disclosure Forms

- Staff recommends:
 - Modifying the Disclosure Forms to ensure that they adequately reflect the variety of business practices and accommodate the ability to include/insert language describing contract provisions, while requiring that the language be clear and customer-friendly.
 - Updating the Disclosure Forms to provide greater clarity where necessary.
 - Once the NJBPU approves the revised Disclosure Forms, applicants to the ADI Program will no longer be able to modify the Disclosure Forms.
 - Conducting routine sample audits of Disclosure Forms to verify they are being filled out properly and without change.
- Note: TI Program Disclosure Forms are not currently accepted in ADI Program registrations.

ADI Program Disclosure Forms

- Revised Disclosure Forms have been circulated for public comment.
 - Comments are due no later than 5:00 p.m. ET on May 4, 2022.
 - Please submit comments directly to the specific docket listed above (Docket No. QO20020184) using the “Post Comments” button on the Board’s Public Document Search tool. Written comments may also be submitted to the Secretary of the Board. Further instructions on how to submit written comments can be found in the Public Notice announcing this meeting.
 - These Forms may be amended based on stakeholder feedback.
- Once the NJBPU approved the revised Disclosure Forms, and after a grace period, the ADI Program Registration Manager will stop accepting the old Disclosure Forms.

Stakeholder Comments

Additional Resources

- Transition Incentive Program Checklists and Forms:
<https://www.njcleanenergy.com/renewable-energy/programs/transition-incentive-program>
- ADI Program Checklists and Forms:
<https://www.njcleanenergy.com/renewable-energy/programs/susi-program/adi-program>
- Check out the Solar Proceedings
webpage: <https://njcleanenergy.com/renewable-energy/program-updates-and-background-information/solar-proceedings>
- Email us at: NJREINFO@NJCleanEnergy.com

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