

automotive lubricants will benefit from a uniform notice of their responsibilities in the marketplace.

Economic Impact

The Office of Weights and Measures believes that the proposed new rules will have no economic impact on the regulated community, because adoption of the NIST Handbook 130 standards merely provides the Office with a tool for enforcement of national and industry-recognized standards that are already in effect. The Office believes that there will be no additional costs in the enforcement of these rules.

Federal Standards Statement

A Federal standards analysis is not required because the proposed new rules are governed by N.J.S.A. 51:1-61 and voluntarily adopt by reference the standards developed by the National Institute of Standards and Technology (NIST) Handbook 130 related standards for engine fuels and automotive lubricants sold in the State of New Jersey. NIST is an agency of the U.S. Department of Commerce.

Jobs Impact

The Office of Weights and Measures does not anticipate that the proposed new rules will increase or decrease jobs in the State.

Agriculture Industry Impact

The proposed new rules will have no impact on the agriculture industry in the State.

Regulatory Flexibility Analysis

There are approximately 2,500 gasoline retailers in the State, many of which may be considered "small businesses" under the Regulatory Flexibility Act (the Act), N.J.S.A. 52:14B-16 et seq. The proposed new rules incorporate by reference national and industry recognized standards for engine fuels and automotive lubricants. They do not impose reporting or recordkeeping requirements on small businesses. Businesses of all sizes should have been complying with the standards; the proposed new rules will give OWM authority to enforce them. The compliance and cost factors are discussed in the Summary and Economic Impact above. The proposed new rules do not require professional services in order to comply. Because the proposed new rules incorporate uniform standards, they must be applied uniformly to all businesses without regard to size.

Housing Affordability Impact Analysis

The proposed new rules will have an insignificant impact on affordable housing in New Jersey and there is an extreme unlikelihood that the rules would evoke a change in the average costs associated with housing because the proposed new rules concern standards for engine fuels and automotive lubricants.

Smart Growth Development Impact Analysis

The proposed new rules will have an insignificant impact on smart growth and there is an extreme unlikelihood that the rules would evoke a change in housing production in Planning Areas 1 or 2, or within designated centers, under the State Development and Redevelopment Plan in New Jersey because the proposed new rules concern standards for engine fuels and automotive lubricants.

Full text of the proposed new rules follows:

CHAPTER 47H

ENGINE FUELS AND AUTOMOTIVE LUBRICANTS

SUBCHAPTER 1. ENGINE FUELS AND AUTOMOTIVE LUBRICANTS

13:47H-1.1 Engine fuels and automotive lubricants

The Uniform Engine Fuels and Automotive Lubricants Regulations contained in the National Institute of Standards and Technology Handbook 130, 2012 edition at page 165 adopted by the National Conference on Weights and Measures are incorporated herein by reference as amended and supplemented. The Uniform Engine Fuels and Automotive Lubricants Regulations may be found at <http://www.nist.gov/pml/wmd/pubs/upload/2012-h130-final2.pdf>. All engine fuels and automotive lubricants sold or offered for sale in this State must comply with these regulations.

13:47H-1.2 Violations; enforcement

(a) Any violation of or noncompliance with the provisions of this subchapter shall subject the violator to a penalty of not less than \$100.00 as authorized by N.J.S.A. 51:1-89.

(b) The provisions of this subchapter shall be enforceable by the State Superintendent of Weights and Measures and county or municipal superintendents and all weights and measures officers.

1. When used in the National Institute of Standards and Technology Handbook 130, the term "Director" shall mean the State Superintendent of Weights and Measures and county or municipal superintendents.

PUBLIC UTILITIES

(a)

BOARD OF PUBLIC UTILITIES

Renewable Energy and Energy Efficiency Amount of Renewable Energy Required

Proposed Readoption with Amendments of Special Adopted Amendments: N.J.A.C. 14:8-2.2 and 2.3

Authorized By: Board of Public Utilities, Robert Hanna, President;
Jeanne M. Fox, Joseph L. Fiordaliso, Nicholas Asselta, and Mary-
Anna Holden, Commissioners.

Authority: N.J.S.A. 48:2-13 and 48:3-49 et seq.

Calendar Reference: See Summary below for explanation of
exception to calendar requirement.

BPU Docket Number: EX12080748.

Proposal Number: PRN 2012-152.

Comments may be submitted through December 14, 2012 by e-mail in
Microsoft Word format, or in a format that can be easily converted to
Word, to: rule.comments@bpu.state.nj.us or on paper to:

Kristi Izzo, Secretary
New Jersey Board of Public Utilities
ATTN: BPU Docket Number: EX12080748
44 S. Clinton Ave., 9th floor, P.O. Box 350
Trenton, NJ 08625-0350

The agency proposal follows:

Summary

The New Jersey Board of Public Utilities is proposing to readopt, with amendments, the amendments to its Renewable Energy Portfolio Standards rules at N.J.A.C. 14:8-2.2 and 2.3 that were specially adopted effective March 30, 2011 (see 43 N.J.R. 1206(a)). The special adoption was done pursuant to the requirements of the Solar Energy Advancement and Fair Competition Act (SEAFCA), P.L. 2009, c. 289. Since the special adoption, on July 23, 2012, Governor Christie signed into law new solar legislation, P.L. 2012, c. 24, which modifies the legal framework underlying some of the amendments that were specially adopted. As a result, the Board allowed several amendments to expire effective September 30, 2012. Both the rules adopted via special adoption in March 2011 and the amendments to those rules now proposed are available for public comment for the first time.

By filing this notice of proposed readoption with the Office of Administrative Law prior to September 30, 2012, the expiration date of these rules is extended 180 days to March 29, 2013, pursuant to N.J.S.A. 52:14B-5.1.c. As the Board has provided a 60-day comment period on this notice of proposal, it is exempted from the rulemaking calendar requirements set forth at N.J.A.C. 1:30-3.1 and 3.2, pursuant to N.J.A.C. 1:30-3.3(a)5.

Following is a section-by-section summary of the special adopted amendments proposed for readoption and the proposed amendments.

The Board modified several existing definitions in the special adoption and added new definitions at N.J.A.C. 14:8-2.2. The term "reporting year" for the period from June 1 of one calendar year through May 31 of the following calendar year has been changed to "energy year"; accordingly, the definition for "reporting year" is proposed for deletion and a new definition of "energy year" is proposed. The Board has also

specified in the amendments to the definition of “Renewable Energy Certificate” or “REC” that Renewable Energy Certificates shall represent the environmental attributes of one megawatt (MWh) of Class I or Class II renewable energy but shall no longer include a Solar Renewable Energy Certificate (SREC). The definition of “solar REC” is proposed for amendment to instead define the replacement term “solar renewable energy certificate” or “SREC.” The definition is further amended to provide that SRECs represent one MWh of solar energy that is generated by a solar energy facility connected to the distribution system in New Jersey, and has value based upon, and driven by, the energy market. The terms “total cost of solar incentives” and “total retail cost of electricity” and their definitions were deleted in the special adoption because those terms were used to determine the percentage requirement for the RPS and the special adoption amended the RPS requirement to be an absolute number of gigawatts. Finally, the definition of “true-up period” was expanded to extend from the end of the energy year to October 1, rather than to September 1.

The amendments to N.J.A.C. 14:8-2.3(a) proposed for re-adoption changed the annual requirement for solar energy in the Renewable Portfolio Standard from a percentage to an amount as required by SEAFCA. Each MWh of retail electricity supplied in New Jersey by a supplier/provider subject to this subchapter carries with it an accompanying solar obligation.

Table A sets forth the renewable generation percentages required for class I and class II renewable energy beginning in energy year 2005 and going through May 31, 2021. The energy year for each year beginning with energy year 2011 is designated “EY 2011.” The special adoption deleted the SREC and Total Renewable Energy columns from Table A.

The amendments to subsection (b) proposed for re-adoption provide that the Board shall adopt rules setting the minimum amounts, rather than percentages, of solar electric generation, class I renewable energy, and class II renewable energy for energy year 2022 and each subsequent reporting year and that these minimum amounts shall be no less than those required for energy year 2021. The rules setting minimum amounts must be adopted at least two years in advance.

The amendments to subsection (c) proposed for re-adoption provide that each supplier/provider’s solar electric generation obligation shall be calculated in accordance with special adopted subsections (j) through (o). For energy years beginning with EY2014, the methodology will change as required by P.L. 2012, c. 24; the reference to calculation in accordance with subsections (j) through (o) is proposed herein to be replaced with calculation in accordance with P.L. 2012, c. 24. As discussed below, the Board allowed special adopted subsections (k), (l), (m), and (n) to expire, and will propose new rules to replace these subsections. The amendments to subsection (c) proposed for re-adoption also change “submittal” of solar RECs to “retirement” of SRECs through a renewable trading program approved by the Board, and omits the reference to the statutory definition of solar alternative compliance payment (SACP).

The amendments proposed for re-adoption combine subsections (d) and (e) to state that a supplier/provider may comply with the class I and class II requirements of this subchapter by retiring RECs or submitting ACPs. A reference to SACP has been deleted.

Subsection (e) is reserved.

The proposed amendment to paragraph (f) proposed for re-adoption provides that the subsection shall apply to the type of energy, and type of documentation, used for compliance with each of the requirements in the subchapter, rather than the requirements in Table A. The proposed amendment to paragraph (f) proposed for re-adoption states that SRECs may be used to meet any requirement for solar electric generation, class I renewable energy, or class II renewable energy, deleting the requirement limitation to those in Table A.

The proposed amendment to subsection (g) proposed for re-adoption deletes the requirement that all Renewable Portfolio Standards (RPS) compliance must be submitted in the form of RECs.

Subsection (j), which provided for a cap on solar electric generation required under Table A if the total cost of solar incentives for a reporting year exceeds two percent of the total retail cost of electricity for that reporting year, has been deleted through the special adoption and replaced with a new subsection (j), discussed below.

Subsection (k), which provided that any limitation triggered in (j) shall end after the Board determines that the total cost of solar incentives for a reporting year did not exceed two percent of the total retail cost of electricity for that reporting year, has been deleted through the special adoption and replaced with a new subsection (k), discussed below.

Special adopted new subsection (j), proposed herein for re-adoption, provides that each MWh of retail electricity supplied in New Jersey carries with it an accompanying solar obligation. The special adopted subsection provided that beginning on June 1, 2010, each supplier/provider would calculate its solar obligation as set forth in subsections (m) through (o), and that these subsections allocated the Table B Statewide solar obligation among all suppliers/providers subject to this subchapter. The special adopted subsection further provided that all supplier/provider solar obligations taken together must equal the Statewide solar obligation set forth in Table B for the applicable energy year. Pursuant to P.L. 2012, c. 24, subsections (j) and (k) are amended to delete reference to all years after EY 2013.

Special adopted new subsection (k) provided that if a basic generation service (BGS) provider had entered into a contract to provide retail electricity prior to January 17, 2010, the solar obligation associated with that electricity would be calculated according to the Board’s rules as they existed at the time the contract was entered into and not by the provisions of the specially adopted rules. Such electricity would be called “exempt electricity” and electricity not covered by a pre-existing contract would be called “non-exempt electricity.” Pursuant to P.L. 2012, c. 24, the Board allowed this subsection to expire on September 30, 2012. The new law does not provide for “exempt” and “non-exempt electricity” and there is no longer a need or purpose for defining those terms.

Special adopted new subsection (l) provides that all contracts subject to exemption under specially adopted subsection (k) would expire on or before May 31, 2012. This subsection deals exclusively with EY 2011 and EY 2012, and as these energy years are now in the past, the Board allowed this subsection to expire on September 30, 2012.

Special adopted new subsection (m) provides a formula for calculating the solar obligation associated with exempt load. Pursuant to P.L. 2012, c. 24, the calculation of exempt load will change, and the Board allowed this subsection to expire on September 30, 2012.

Special adopted new subsection (n) provides a formula for calculating the solar obligation associated with non-exempt load. Pursuant to P.L. 2012, c. 24, the calculation of non-exempt load will change, and the Board allowed this subsection to expire on September 30, 2012.

Special adopted new subsection (o) provides a calculation for supplier/providers to determine their solar obligation for EY 2013 or later. Pursuant to P.L. 2012, c. 24, the Board proposes to delete reference to any year beyond EY 2013. Since the new law changes the RPS requirement from an absolute number of gigawatts back to a percentage of total electricity sold, the need for calculating a requirement in absolute numbers will no longer exist after the end of EY 2013. Therefore, those portions of the subsection’s Table B concerning energy years beyond EY 2013 are not being proposed for re-adoption and were allowed to expire. Since special adopted subsections (k) through (n) were allowed to expire, this subsection has been recodified as subsection (k).

Social Impact

The special adopted amendments to the Renewable Portfolio Standards rules proposed for re-adoption with amendments will maintain the existing methodology for determining the solar obligation for supplier/providers for the current energy year and the provisions setting out that methodology for future energy years beyond energy year 2013 were allowed to expire on September 30, 2012. To the extent that the amendments proposed for re-adoption maintain the existing methodology for the current energy year, they will have a positive social impact by providing stability for existing contracts and market participants. The methodology in the special adopted amendments, by implementing an increased solar RPS requirement, had a positive social impact by increasing the demand for solar installations and therefore increasing distributed generation and reducing congestion on the grid and its associated problems. As the means of determining the solar obligation for supplier/providers in succeeding energy years is not yet proposed, it is not possible to assess the social impact at this time.

Economic Impact

The special adopted amendments of the RPS rules proposed for re-adoption with amendments will have a positive economic impact by maintaining the existing methodology for the current energy year, thereby providing stability for existing contracts and market participants. The methodology in the special adopted amendments, by implementing an increased solar RPS requirement, had a positive economic impact by stimulating the solar market. By allowing the existing methodology for calculating the solar obligation of supplier/providers to expire on September 30, 2012, the proposed amendments may have a negative impact since there will be uncertainty with regard to the methodology which will replace the existing methodology, which is not part of this proposal. In the long term, the Board's programs for developing renewable energy use and generation can act as a spur to development of renewable energy markets, thus reducing use of environmentally damaging fossil fuels and decreasing U.S. dependence on foreign oil imports. Ultimately, this will have an important beneficial economic impact on the country as a whole.

Federal Standards Statement

Executive Order No. 27 (1994) and N.J.S.A. 52:14B-1 et seq. requires State agencies that adopt, re-adopt, or amend State regulations exceeding any Federal standards or requirements to include in the rulemaking document a Federal standards analysis. The RPS have no Federal analogue and are not promulgated under the authority of, or in order to implement, comply with, or participate in any program established under Federal law or under a State statute that incorporate or refers to Federal law, Federal standards, or Federal requirements. Accordingly, Executive Order No. 27 (1994) and N.J.S.A. 52:14B-1 et seq. do not require a Federal standards analysis for the special adopted amendments proposed for re-adoption with amendments.

Jobs Impact

The special adopted amendments proposed for re-adoption increased the solar requirement of the RPS and as such tended to have a positive impact on jobs in the development, construction, and operation of renewable energy facilities. As proposed for re-adoption with amendments, the special adopted amendments maintain the RPS for the current energy year and should not have further impact on jobs. The specific requirements of the RPS for succeeding years were allowed to expire, and new requirements will be adopted in accordance with P.L. 2012, c. 24, which increases the solar requirements of the RPS.

Agriculture Industry Impact

The Board does not expect the special adopted amendments proposed for re-adoption with amendments to have a direct material effect on the agriculture industry in New Jersey. To the extent that the increased solar requirement in the RPS included in the specially adopted amendments is maintained for the current energy year and results in a greater number of renewable energy facilities, the increased RPS will benefit the agriculture industry, if increased renewable electric generation displaces fossil-fueled generation that is linked to acid rain, global warming, and other air pollution that can harm agricultural crops.

Regulatory Flexibility Statement

A small business, as defined in the New Jersey Regulatory Flexibility Act, N.J.S.A. 52:14B-16 et seq., is a business that is resident in this State, is independently owned and operated and not dominant in its field, and has fewer than 100 full-time employees. The special adopted amendments proposed for re-adoption with amendments revise the amount of solar energy required in the RPS and the manner in which that amount is calculated, but the requirement to comply with the RPS already exists. Thus, the special adopted amendments proposed for re-adoption with amendments do not impose additional reporting, recordkeeping, or other compliance requirements on small businesses operating renewable electric generation facilities in New Jersey or in the rest of the PJM region. Accordingly, no regulatory flexibility analysis is required.

Housing Affordability Impact Analysis

The special adopted amendments proposed for re-adoption with amendments, which may have some effect on electricity rates, do not affect the availability or price of housing.

Smart Growth Development Impact Analysis

The special adopted amendments proposed for re-adoption with amendments, which may have some effect on electricity rates, do not affect housing production or the price of housing in Planning Areas 1 and 2, or within designated centers, as these areas are defined in the State Development and Redevelopment Plan.

Full text of the special adopted amendments proposed for re-adoption follows (additions special adopted March 30, 2011 (see 43 N.J.R. 1206(a)) indicated in boldface **thus**; deletions special adopted March 30, 2011 (see 43 N.J.R. 1206(a)) indicated in brackets [thus]; additions to the special adopted amendments indicated in italicized boldface **thus**; deletions from the special adopted amendments indicated in cursive brackets {thus}):

(**Agency Note:** The text of N.J.A.C. 14:8-2.3(b) and (c)1 published below reflects amendments adopted effective June 4, 2012 (see 43 N.J.R. 1162(a) and 44 N.J.R. 1703(a)), after the special adopted amendments proposed for re-adoption became effective.)

SUBCHAPTER 2. RENEWABLE PORTFOLIO STANDARDS

14:8-2.2 Definitions

The following words and terms, when used in this subchapter, shall have the meanings given below, unless the context clearly indicates otherwise:

"Alternative compliance payment" or "ACP" means a payment of a certain dollar amount per megawatt hour, which a supplier/provider may submit [in lieu of supplying] **to comply with** the class I or class II renewable energy [required under] **requirement in** Table A in N.J.A.C. 14:8-2.3.

"Energy year" or "EY" means the 12-month period from June 1st through May 31st and shall be numbered according to the calendar year in which it ends.

"Renewable Energy Certificate" or "REC" means a certificate representing the environmental benefits or attributes of one megawatt-hour of generation from a generating facility that [meets the requirements of this subchapter. Class I RECs represent the environmental benefits or attributes of one megawatt-hour of class I renewable energy generation; class II RECs represent the environmental benefits or attributes of one megawatt-hour of class II renewable energy generation; and solar RECs represent the environmental benefits or attributes of one megawatt-hour of solar electric generation] **produces class I or class II renewable energy, but shall not include a solar renewable energy certificate.**

"Reporting year" means the 12-month period from June 1st through May 31st. A reporting year shall be numbered according to the calendar year in which it ends, so that reporting year 2005 runs from June 1, 2004 through May 31, 2005.]

"Solar alternative compliance payment" or "SACP" means a payment of a certain dollar amount per megawatt-hour (MWh), which a supplier/provider may submit [in lieu of complying] **to the Board to comply** with the solar electric generation requirements [in Table A in N.J.A.C. 14:8-2.3] **under N.J.S.A. 48:3-87.**

"Solar [REC] renewable energy certificate" or "SREC" means a [type of REC, as defined in this section.] **certificate** issued by the Board or its designee, which represents [the environmental benefits or attributes of] one megawatt-hour (MWh) of solar [electric generation, as defined in N.J.A.C. 14:8-1.2] **energy that is generated by a facility connected to the distribution system in New Jersey, and has value based upon, and driven by, the energy market.**

"Total cost of solar incentives" means the sum of the following for a reporting year, provided that any particular cost that is within more than one of the categories listed below shall not be counted twice:

1. The total amount of financial assistance for solar electric generation paid from:

i. The societal benefits charge established under N.J.S.A. 48:3-60;

ii. The retail margin on certain hourly-priced and larger non-residential customers pursuant to the Board’s continuing regulation of Basic Generation Service pursuant to N.J.S.A. 48:3-51 and 57;

iii. Other monies appropriated for such purposes; and

iv. Cost recovery for renewable energy programs approved by the Board under N.J.S.A. 48:3-98.1, after January 13, 2008, which is paid from any source other than i, ii or iii above;

2. The total cost incurred by all suppliers/providers selling electricity to retail customers in New Jersey for solar RECs used for compliance with the solar electric generation requirement under N.J.A.C. 14:8-2.3, Table A; and

3. The total revenue from the payment of solar alternative compliance payments.

“Total retail cost of electricity” means the total revenue from New Jersey electricity sales over a reporting year, as stated in “Revenue from Retail Sales of Electricity to Ultimate Customers, All Sectors” reported by the United States Energy Information Administration based on Form

EIA-826, “Monthly Electric Sales and Revenue Report with State Distributions Report,” or the successor to such report and form designated by the United States Energy Information Administration.]

“True-up period” means the period each year from the end of the [reporting] **energy** year until [September] **October** 1.

14:8-2.3 [Minimum percentage] **Amount** of renewable energy required

(a) Each supplier/provider, as defined at N.J.A.C. 14:8-1.2, that sells electricity to retail customers in New Jersey, shall ensure that the electricity it sells each [reporting] **energy** year in New Jersey includes at least the minimum [percentage] **amount** of qualified renewable energy, as defined at N.J.A.C. 14:8-2.2, required for that [reporting] **energy** year, [from each category specified in Table A below, except as provided at (h), (j) or (k) below] **as specified in this section. Requirements for class I and class II renewable energy are set forth in Table A below:**

Table A

What Percentage Of Energy Supplied Must Be **Class I Or Class II** Renewable Energy?

[Reporting] Energy Year	[Solar Electric Generation (solar RECs)]	Class I Renewable Energy	Class II Renewable Energy	[Total Renewable Energy]
June 1, 2004 - May 31, 2005	[0.01%]	.74%	2.50%	[3.25%]
June 1, 2005 - May 31, 2006	[0.017%]	0.983%	2.50%	[3.5%]
June 1, 2006 - May 31, 2007	[0.0393%]	2.037%	2.50%	[4.5763%]
June 1, 2007 - May 31, 2008	[0.0817%]	2.924%	2.50%	[5.5057%]
June 1, 2008 - May 31, 2009	[0.16%]	3.84%	2.50%	[6.5%]
June 1, 2009 - May 31, 2010	[0.221%]	4.685%	2.50%	[7.406%]
EY 2011: June 1, 2010 - May 31, 2011	[0.305%]	5.492%	2.50%	[8.297%]
EY 2011: June 1, 2011 - May 31, 2012	[0.394%]	6.320%	2.50%	[9.214%]
EY 2011: June 1, 2012 - May 31, 2013	[0.497%]	7.143%	2.50%	[10.14%]
EY 2011: June 1, 2013 - May 31, 2014	[0.621%]	7.977%	2.50%	[11.098%]
EY 2011: June 1, 2014 - May 31, 2015	[0.765%]	8.807%	2.50%	[12.072%]
EY 2011: June 1, 2015 - May 31, 2016	[0.928%]	9.649%	2.50%	[13.077%]
EY 2011: June 1, 2016 - May 31, 2017	[1.118%]	10.485%	2.50%	[14.103%]
EY 2011: June 1, 2017 - May 31, 2018	[1.333%]	12.325%	2.50%	[16.158%]
EY 2011: June 1, 2018 - May 31, 2019	[1.572%]	14.175%	2.50%	[18.247%]
EY 2011: June 1, 2019 - May 31, 2020	[1.836%]	16.029%	2.50%	[20.365%]
EY 2011: June 1, 2020 - May 31, 2021	[2.120%]	17.880%	2.50%	[22.5%]

(b) The Board shall adopt rules setting [the] minimum [percentages] **amounts** of solar electric generation, class I renewable energy and class II renewable energy required for [reporting year] **EY 2022** and each subsequent [reporting] **energy** year. These minimum [percentages]

amounts shall be no lower than those required for [reporting year] **EY 2021** [in Table A above, except as may have been adjusted as provided in (j) and (k) below]. The Board, in consultation with the NJDEP, EDCs, Rate Counsel, the solar energy industry and relevant stakeholders, shall

periodically consider increasing the renewable energy portfolio standards beyond the minimum amounts set forth in this chapter, taking into account the cost impacts and public benefits of such increases including, but not limited to:

1.-4. (No change.)

(c) **Each supplier/provider's solar electric generation obligation shall be calculated in accordance with {(j) through (o) below} the requirements of P.L. 2012, c. 24.** A supplier/provider shall meet the requirements for solar electric generation [in Table A above] through:

1. [submittal of solar RECs, or through submittal] **Retirement of SRECs through a renewable energy trading program approved by the Board in consultation with the NJDEP; or**

2. **Submittal of one or more SACPs**[, as those terms are defined at N.J.A.C. 14:8-2.2].

(d) A supplier/provider may meet the class I and class II renewable energy requirements in Table A above by [submitting] **retiring** RECs in accordance with N.J.A.C. 14:8-2.8. **Alternatively, a**

[(e) A] supplier/provider may[, in lieu of meeting the requirements in Table A above.] comply with **the class I and class II requirements** of this subchapter by submitting the appropriate number of ACPs [or SACPs], in accordance with N.J.A.C. 14:8-2.10.

(e) **(Reserved.)**

(f) The following shall apply to the type of energy, and type of documentation, used for compliance with each of the requirements in [Table A above] **this subchapter:**

1. [Solar RECs] **SRECs** may be used to meet any requirement [in Table A, whether the requirement is] for solar electric generation, class I renewable energy, or class II renewable energy;

2.-3. (No change.)

(g) A supplier/provider shall not demonstrate compliance with this subchapter using direct supply of any type of renewable energy. [All RPS compliance shall be submitted in the form of RECs.]

(h) (No change.)

(i) The same renewable energy shall not be used for more than one of the following:

1. Creation of [a solar REC] **an SREC** under N.J.A.C. 14:8-2.9;

2.-3. (No change.)

(j) If the Board determines that the total cost of solar incentives for a reporting year exceeds two percent of the total retail cost of electricity for that reporting year, then the percentage of solar electric generation required under Table A for the reporting year in which the Board makes its determination shall continue to be the percentage required in each subsequent reporting year, until the limitation ends under (k) below. For example, if the Board determines on December 1, 2018 that the cost limitation was triggered, the percentage of solar electric generation required shall remain at 1.572 percent until the limitation ends under (k) below. The Board may revise Table A accordingly by administrative correction pursuant to N.J.A.C. 1:30-2.7.

(k) If the limitation in (j) above was triggered, the limitation shall end after the Board determines that the total cost of solar incentives for a reporting year did not exceed two percent of the total retail cost of electricity for that reporting year.

1. For the next reporting year after the limitation ends under (k) above, the percentage of solar electric generation required shall be the percentage in Table A for the reporting year immediately following the reporting year in which the limitation in (j) above was triggered.

2. Thereafter, the percentage of solar generation shall continue to increase each reporting year in increments as set out in Table A above until it reaches 2.12 percent or, if a minimum percentage of solar electric generation has been adopted pursuant to (b) above for reporting year 2022 or after, then until it reaches the percentage for the last subsequent reporting year for which a minimum percentage has been adopted.

i. For example, if the limitation in (j) above is imposed in the reporting year ending May 31, 2019, and the Board determines on December 1, 2020 that the two-percent threshold was not met in the reporting year ending May 31, 2020, then the percentage of solar electric generation required for the reporting year ending May 31, 2022 shall be 1.836 percent, and the percentage for the reporting year ending May 31, 2023 shall be 2.120 percent.

3. The Board may revise Table A accordingly by administrative correction pursuant to N.J.A.C. 1:30-2.7.]

(j) **Each megawatt-hour (MWh) of retail electricity supplied in New Jersey by a supplier/provider subject to this subchapter carries with it an accompanying solar obligation. {Beginning on June 1, 2010} For Energy Year 2013, each supplier/provider shall calculate its solar obligation {for each energy year} as set forth in {(m) through (o)} (k) below. Subsection{s (m) through (o)} (k) below allocates the Table B Statewide solar obligation among all supplier/providers that are subject to this subchapter. All supplier/provider solar obligations, taken together, must equal the Statewide solar obligation set forth in Table B below for {the applicable energy year} Energy Year 2013.**

(Agency Note: The Board of Public Utilities is not proposing to readopt special adopted N.J.A.C. 14:8-2.3(k), (l), (m), and (n), which expired on September 30, 2012; therefore, the text of those subsections is not reproduced herein.)

{(o)} (k) **For electricity supplied during EY 2013 {or later}, a supplier/provider shall calculate its solar obligation as follows:**

1. **Determine the supplier/provider's market share of all electricity supplied Statewide during the applicable energy year, as follows:**

i. **Consult the Board's NJCEP website to determine the number of MWhs of electricity supplied Statewide during the energy year by all supplier/providers subject to this subchapter;**

ii. **Determine the number of MWhs of electricity the supplier/provider supplied during the energy year; and**

iii. **Divide {(o)1ii} (k)1ii above by {(o)1i} (k)1i above to obtain a fraction representing the supplier/provider's market share; and**

2. **Multiply the supplier/provider's market share from {(o)1} (k)1 above by the applicable Statewide solar obligation from Table B below. The result is the supplier/provider's solar obligation for the electricity that it supplied during the energy year.**

Table B

Total Statewide Solar Obligation

Starting June 1, 2010

<u>Energy Year</u>	<u>Statewide Solar Obligation in GWhs</u>
EY 2011: June 1, 2010 - May 31, 2011	306
EY 2012: June 1, 2011 - May 31, 2012	442
EY 2013: June 1, 2012 - May 31, 2013	596

(Agency Note: The Board of Public Utilities is not proposing to readopt the fourth through the 17th rows of special adopted N.J.A.C. 14:8-2.3(o)2 Table B, concerning EY 2014 through EY 2027 and beyond, which rows expired on September 30, 2012; therefore, the text of those rows is not reproduced herein.)

OTHER AGENCIES

(a)

NEW JERSEY MEADOWLANDS COMMISSION

District Zoning Regulations

Site Plan Requirements

Signs

Proposed Amendment: N.J.A.C. 19:4-8.14

Authorized By: New Jersey Meadowlands Commission, Marcia A. Karrow, Executive Director.

Authority: N.J.S.A. 13:17-1 et seq., specifically 13:17-6(i).

Calendar Reference: See Summary below for explanation of exception to calendar requirement.

Proposal Number: PRN 2012-149.