

**New Jersey Department of Environmental Protection  
CO<sub>2</sub> Budget Trading Program (N.J.A.C. 7:27C)**



**Instructions for Dispatch Agreement Facility Certification**

The certification provided with this document, and the supporting documentation to be provided as Attachments A and B to the certification, are required to be submitted to the Department for certification of a CO<sub>2</sub> budget source as a “dispatch agreement facility” pursuant to N.J.A.C.7:27C- 5.5(b). A separate certification and supporting documentation must be submitted for each CO<sub>2</sub> budget source.

Note that the Department plans to publish a public notice of the procedures for purchasing CO<sub>2</sub> allowances through a fixed-price sale offer in accordance with N.J.A.C. 7:27C-5.4(b) through (h) on November 1<sup>st</sup>, 2020. This notice will include the CO<sub>2</sub> allowances offered for sale to each CO<sub>2</sub> budget unit at a certified dispatch agreement facility that meets the requirements at N.J.A.C. 7:27C- 5.5(b).

In order for a CO<sub>2</sub> budget source to be certified as a dispatch agreement facility prior to the release of the Department’s public notice, the certification and attachments referenced in this document must be received by the Department by no later than 5 P.M. EST on October 15<sup>th</sup>, 2020. Only certified dispatch agreement facilities will receive a fixed-price offer of CO<sub>2</sub> allowances from the Department as part of the public notice.

Note that any material change from the certification language provided with this document, or failure to provide the required information in Attachments A and B, may result in failure of the CO<sub>2</sub> budget source to be certified as a dispatch agreement facility.

All terms used herein have the meanings set forth at N.J.A.C. 7:27C-1.2.

**Submission**

Using the separate Word document certification statement template that accompanies this document, enter the requested information in the fields at the top of the document. Print the document and sign, date, and notarize. Compile the requested information for Attachments A and B referenced in the instructions that follow in this document, and attach as Attachments A and B to the signed and notarized certification statement.

Submit the original executed certification statement and Attachments A and B to the following address:

New Jersey Department of Environmental Protection  
Bureau of Climate Change and Clean Energy  
Attn: NJ RGGI Program,  
401 E. State Street, 2<sup>nd</sup> Floor,  
Mail code 401-02H  
P.O. Box 420  
Trenton, NJ 08625-0420

The original executed certification statement and Attachments A and B must be received by the Department at the above address by **5 P.M. EST on October 15<sup>th</sup>, 2020.**

For additional information, contact:

Jessica August  
Phone: 609-633-1115  
E-Mail: [jessica.august@dep.nj.gov](mailto:jessica.august@dep.nj.gov)

**New Jersey CO<sub>2</sub> Budget Trading Program (N.J.A.C. 7:27C)**

**Dispatch Agreement Facility Certification**

|  |  |
|--|--|
| CO <sub>2</sub> Budget Source Name                           |  |
| Plant Code (ORIS/EIA Code)                                   |  |
| CO <sub>2</sub> Budget Units (NJ DEP Unit IDs)               |  |
| RGGI COATS Compliance Account Number                         |  |
| RGGI COATS CO <sub>2</sub> Authorized Account Representative |  |

I certify the following:

The above-named CO<sub>2</sub> budget source, and the above-listed CO<sub>2</sub> budget units at the source, meet the following criteria for a certified dispatch agreement facility set forth at N.J.A.C. 7:27C-5.5(b):

1. The CO<sub>2</sub> budget source is a cogeneration facility or the CO<sub>2</sub> budget source has a heat rate of less than 8,100 Btu per kilowatt-hour electric.
2. The CO<sub>2</sub> budget source is subject to a power purchase agreement that includes the following conditions:
  - a. The agreement was executed prior to January 1, 2002.
  - b. The agreement is for a duration of more than 15 years from its effective date.
  - c. The agreement provides that the counterpart to the agreement that purchases energy from the facility controls the electric dispatch of the facility.
  - d. The agreement does not allow for the facility to pass the cost of CO<sub>2</sub> allowances on to the counterpart to the agreement that purchases energy from the facility.
  - e. The agreement is currently in effect.

Attachment A to this certification provides supporting documentation that the above-named CO<sub>2</sub> budget source, and the above-listed CO<sub>2</sub> budget units at the source, meet the criteria listed above.

Attachment B to this certification provides documentation of the conditions of the power purchase agreement(s) to which the above-listed CO<sub>2</sub> budget units at the above-named CO<sub>2</sub> budget source are subject.

The owner or operator of the above-named CO<sub>2</sub> budget source shall provide on-site access, upon the Department's request, to any information the Department requires to determine the validity of this certification.

If subsequent to the submittal of this certification and supporting documentation, there is any material change to the information and statements contained herein or to the supporting material attached hereto, I or my successor shall submit to the Department a supplemental sworn affidavit and supporting material addressing any such material change within thirty (30) days after the change occurs. I acknowledge that if the supplemental sworn affidavit and supporting material are not submitted to the Department within this time period, the CO<sub>2</sub> budget source will no longer be eligible to receive a fixed-price CO<sub>2</sub> allowance sale offer.

I acknowledge that at such time as the power purchase agreement relating to the above-named CO<sub>2</sub> budget source expires or is terminated, or when the services under a new contract become effective, the above-named CO<sub>2</sub> budget source will no longer be considered a certified dispatch agreement facility.

I acknowledge that pursuant to N.J.A.C. 7:27C-5.5(g), any CO<sub>2</sub> allowances purchased by a CO<sub>2</sub> authorized account representative on behalf of a CO<sub>2</sub> budget source for a certified dispatch agreement facility that remain in the compliance account for the related CO<sub>2</sub> budget source subsequent to the compliance deduction by the Department of CO<sub>2</sub> allowances for a control period pursuant to N.J.A.C. 7:27C-6.9(b) shall be assigned to the consumer benefit account established pursuant to N.J.A.C. 7:27C-5.2(a).

I understand that any signatory to a sworn affidavit submitted pursuant to N.J.A.C. 7:27C-5.5(b) who knowingly gives or causes to be given any false or misleading information or who knowingly makes any false or misleading statement in such affidavit shall be subject to the penalties and financial assessments outlined at N.J.S.A. 26:2C-49e, and the CO<sub>2</sub> budget unit(s) referenced in the affidavit shall no longer be considered a certified dispatch agreement facility.

The co-signing entity identified below is independent from the owner and operator of the above-named CO<sub>2</sub> budget source. The owner and operator of the above-named CO<sub>2</sub> budget source has no direct or indirect financial interest in the entity, ownership or otherwise, and exercises no direct or indirect control over the entity. Likewise, the co-signing entity has no direct or indirect financial interest in the above-named CO<sub>2</sub> budget source, ownership or otherwise, or in the owner and operator of the CO<sub>2</sub> budget source, ownership or otherwise, and exercises no direct or indirect control over the CO<sub>2</sub> budget source or the owner and operator of the CO<sub>2</sub> budget source.

I have the legal authority to act on behalf of the owner or operator of the above-named CO<sub>2</sub> budget source or the independent entity named below, as applicable. This legal authority includes the authority to make this submission. In the case of the signatory submitting this affidavit on behalf of the owner or operator of the CO<sub>2</sub> budget source, I perform the functions of Chief Financial Officer, or equivalent, for the owner or operator of the above-named CO<sub>2</sub> budget source.

I certify under penalty of law that I have personally examined, and am familiar with, the statements and information submitted in this document and all its attachments. Based on my inquiry of those individuals with primary responsibility for obtaining the information, I certify that the statements and information are to the best of my knowledge and belief true, accurate, and complete. I am aware that there are significant penalties for submitting false statements and information, including the possibility of fine or imprisonment.

**Signature of Owner or Operator Chief Financial Officer (or equivalent)**

\_\_\_\_\_  
Signature (in blue ink)

\_\_\_\_\_  
Date

\_\_\_\_\_  
Name (print)

\_\_\_\_\_  
Title (print)

\_\_\_\_\_  
Company/Organization (print)

Notary Public

**Signature of Independent Entity Representative**

\_\_\_\_\_  
Signature (in blue ink)

\_\_\_\_\_  
Date

\_\_\_\_\_  
Name (print)

\_\_\_\_\_  
Title (print)

\_\_\_\_\_  
Company/Organization (print)

Notary Public

## Instructions for Attachment A

### Identifying Information

Provide the following identifying information in the table format below.

|  |  |
|--|--|
| CO <sub>2</sub> Budget Source Name                           |  |
| Plant Code (ORIS/EIA Code)                                   |  |
| CO <sub>2</sub> Budget Units (NJ DEP Unit IDs)               |  |
| RGGI COATS Compliance Account Number                         |  |
| RGGI COATS CO <sub>2</sub> Authorized Account Representative |  |

### Contents

Attachment A must provide documentation that the CO<sub>2</sub> budget source meets at least one of the criteria for a certified dispatch agreement facility at N.J.A.C. 7:27C-5.5 (b), which states that the CO<sub>2</sub> budget source must be a cogeneration facility<sup>1</sup> or have a heat rate<sup>2</sup> of less than 8,100 Btu per kilowatt-hour electric. Provide a description of the CO<sub>2</sub> budget source and how it meets one or both of these criteria.

For each CO<sub>2</sub> budget unit at the CO<sub>2</sub> budget source, provide the following data for the 2019 calendar year:

- a. Electrical output (MWh)
- b. Useful thermal energy output (MMBtu)<sup>3</sup>
- c. Heat input (MMBtu; LHV)

For all data, reference the CO<sub>2</sub> budget unit to which the data applies by NJ DEP Unit ID number. Provide the source of the data for the CO<sub>2</sub> budget unit for each requested category of data above. To the extent practicable, data sources should be consistent with those specified in the output monitoring plan submitted in accordance with N.J.A.C. 7:27C-8.8(e).

Heat rate may be demonstrated using the 2019 net electric output and heat input data requested above, or through the provision, as part of Attachment A, of heat rate test results for each CO<sub>2</sub> budget unit at the CO<sub>2</sub> budget source. If test results are provided, the heat rate for the CO<sub>2</sub> budget source is the weighted average (based on MWe capacity) heat rate of all CO<sub>2</sub> budget units at the CO<sub>2</sub> budget source.

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<sup>1</sup> To determine if the CO<sub>2</sub> budget source meets the criterion of “cogeneration facility” apply the definition of “cogeneration unit” at N.J.A.C. 7:27C-1.2 to all units, in aggregate, at the CO<sub>2</sub> budget source.

<sup>2</sup> Heat rate refers to the heat input (Btu) required to generate one kilowatt-hour of net electrical output (Btu/kWh).

<sup>3</sup> See definition of “useful thermal energy” at N.J.A.C. 7:27C-1.2.

## **Instructions for Attachment B**

### Identifying Information

Provide the following requested identifying information in the table format below.

|  |  |
|--|--|
| CO <sub>2</sub> Budget Source Name                           |  |
| Plant Code (ORIS/EIA Code)                                   |  |
| CO <sub>2</sub> Budget Units (NJ DEP Unit IDs)               |  |
| RGGI COATS Compliance Account Number                         |  |
| RGGI COATS CO <sub>2</sub> Authorized Account Representative |  |

### Contents

Attachment B must provide the following documentation of the terms of the power purchase agreement to which the listed CO<sub>2</sub> budget units at the CO<sub>2</sub> budget source are subject:

- d. Date of execution of power purchase agreement
- e. Duration of power purchase agreement
- f. Parties to power purchase agreement (seller, purchaser, and any intermediaries)
- g. Summary of provisions that govern the electric dispatch of one or more CO<sub>2</sub> budget units at the CO<sub>2</sub> budget source, the CO<sub>2</sub> budget unit(s) subject to such provisions, and the party that controls the electric dispatch of the unit(s)
- h. Summary of the payment terms related to the energy output of the CO<sub>2</sub> budget unit(s), including the categories of energy generation costs and energy generation services upon which payment is based
- i. Summary of any conditions upon which the terms of the contract may be modified

If different CO<sub>2</sub> budget units at the CO<sub>2</sub> budget source are subject to different power purchase agreements, provide the documentation listed above separately for each contract.