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LAW/RWH

P.L.2015, CHAPTER 51, *approved May 7, 2015*
Assembly, No. 3455

1 AN ACT concerning the definition of "Class II renewable energy,"
2 and amending P.L.1999, c.23.

3
4 **BE IT ENACTED** by the Senate and General Assembly of the State
5 of New Jersey:

6
7 1. Section 3 of P.L.1999, c.23 (C.48:3-51) is amended to read
8 as follows:

9 3. As used in P.L.1999, c.23 (C.48:3-49 et al.):

10 "Assignee" means a person to which an electric public utility or
11 another assignee assigns, sells, or transfers, other than as security,
12 all or a portion of its right to or interest in bondable transition
13 property. Except as specifically provided in P.L.1999, c.23
14 (C.48:3-49 et al.), an assignee shall not be subject to the public
15 utility requirements of Title 48 or any rules or regulations adopted
16 pursuant thereto **;**.

17 "Base load electric power generation facility" means an electric
18 power generation facility intended to be operated at a greater than
19 50 percent capacity factor including, but not limited to, a combined
20 cycle power facility and a combined heat and power facility **;**.

21 "Base residual auction" means the auction conducted by PJM, as
22 part of PJM's reliability pricing model, three years prior to the start
23 of the delivery year to secure electrical capacity as necessary to
24 satisfy the capacity requirements for that delivery year **;**.

25 "Basic gas supply service" means gas supply service that is
26 provided to any customer that has not chosen an alternative gas
27 supplier, whether or not the customer has received offers as to
28 competitive supply options, including, but not limited to, any
29 customer that cannot obtain such service for any reason, including
30 non-payment for services. Basic gas supply service is not a
31 competitive service and shall be fully regulated by the board **;**.

32 "Basic generation service" or "BGS" means electric generation
33 service that is provided, to any customer that has not chosen an
34 alternative electric power supplier, whether or not the customer has
35 received offers for competitive supply options, including, but not
36 limited to, any customer that cannot obtain such service from an
37 electric power supplier for any reason, including non-payment for
38 services. Basic generation service is not a competitive service and
39 shall be fully regulated by the board **;**.

40 "Basic generation service provider" or "provider" means a
41 provider of basic generation service **;**.

EXPLANATION – Matter enclosed in bold-faced brackets **[thus]** in the above bill is
not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

1 "Basic generation service transition costs" means the amount by
2 which the payments by an electric public utility for the procurement
3 of power for basic generation service and related ancillary and
4 administrative costs exceeds the net revenues from the basic
5 generation service charge established by the board pursuant to
6 section 9 of P.L.1999, c.23 (C.48:3-57) during the transition period,
7 together with interest on the balance at the board-approved rate, that
8 is reflected in a deferred balance account approved by the board in
9 an order addressing the electric public utility's unbundled rates,
10 stranded costs, and restructuring filings pursuant to P.L.1999, c.23
11 (C.48:3-49 et al.). Basic generation service transition costs shall
12 include, but are not limited to, costs of purchases from the spot
13 market, bilateral contracts, contracts with non-utility generators,
14 parting contracts with the purchaser of the electric public utility's
15 divested generation assets, short-term advance purchases, and
16 financial instruments such as hedging, forward contracts, and
17 options. Basic generation service transition costs shall also include
18 the payments by an electric public utility pursuant to a competitive
19 procurement process for basic generation service supply during the
20 transition period, and costs of any such process used to procure the
21 basic generation service supply **【;】**.

22 "Board" means the New Jersey Board of Public Utilities or any
23 successor agency **【;】**.

24 "Bondable stranded costs" means any stranded costs or basic
25 generation service transition costs of an electric public utility
26 approved by the board for recovery pursuant to the provisions of
27 P.L.1999, c.23 (C.48:3-49 et al.), together with, as approved by the
28 board: (1) the cost of retiring existing debt or equity capital of the
29 electric public utility, including accrued interest, premium and other
30 fees, costs, and charges relating thereto, with the proceeds of the
31 financing of bondable transition property; (2) if requested by an
32 electric public utility in its application for a bondable stranded costs
33 rate order, federal, State and local tax liabilities associated with
34 stranded costs recovery **【or】**, basic generation service transition
35 cost recovery, or the transfer or financing of **【such】** the property, or
36 both, including taxes, whose recovery period is modified by the
37 effect of a stranded costs recovery order, a bondable stranded costs
38 rate order, or both; and (3) the costs incurred to issue, service or
39 refinance transition bonds, including interest, acquisition or
40 redemption premium, and other financing costs, whether paid upon
41 issuance or over the life of the transition bonds, including, but not
42 limited to, credit enhancements, service charges,
43 overcollateralization, interest rate cap, swap or collar, yield
44 maintenance, maturity guarantee or other hedging agreements,
45 equity investments, operating costs, and other related fees, costs,
46 and charges, or to assign, sell, or otherwise transfer bondable
47 transition property **【;】**.

1 "Bondable stranded costs rate order" means one or more
2 irrevocable written orders issued by the board pursuant to P.L.1999,
3 c.23 (C.48:3-49 et al.) which determines the amount of bondable
4 stranded costs and the initial amount of transition bond charges
5 authorized to be imposed to recover **[such]** the bondable stranded
6 costs, including the costs to be financed from the proceeds of the
7 transition bonds, as well as on-going costs associated with servicing
8 and credit enhancing the transition bonds, and provides the electric
9 public utility specific authority to issue or cause to be issued,
10 directly or indirectly, transition bonds through a financing entity
11 and related matters as provided in P.L.1999, c.23 (C.48:3-49 et al.),
12 which order shall become effective immediately upon the written
13 consent of the related electric public utility to **[such]** the order as
14 provided in P.L.1999, c.23 (C.48:3-49 et al.) **[:]**.

15 "Bondable transition property" means the property consisting of
16 the irrevocable right to charge, collect, and receive, and be paid
17 from collections of, transition bond charges in the amount necessary
18 to provide for the full recovery of bondable stranded costs which
19 are determined to be recoverable in a bondable stranded costs rate
20 order, all rights of the related electric public utility under **[such]**
21 the bondable stranded costs rate order including, without limitation,
22 all rights to obtain periodic adjustments of the related transition
23 bond charges pursuant to subsection b. of section 15 of P.L.1999,
24 c.23 (C.48:3-64), and all revenues, collections, payments, money,
25 and proceeds arising under, or with respect to, all of the foregoing
26 **[:]**.

27 "British thermal unit" or "Btu" means the amount of heat
28 required to increase the temperature of one pound of water by one
29 degree Fahrenheit **[:]**.

30 "Broker" means a duly licensed electric power supplier that
31 assumes the contractual and legal responsibility for the sale of
32 electric generation service, transmission, or other services to end-
33 use retail customers, but does not take title to any of the power sold,
34 or a duly licensed gas supplier that assumes the contractual and
35 legal obligation to provide gas supply service to end-use retail
36 customers, but does not take title to the gas **[:]**.

37 "Brownfield" means any former or current commercial or
38 industrial site that is currently vacant or underutilized and on which
39 there has been, or there is suspected to have been, a discharge of a
40 contaminant **[:]**.

41 "Buydown" means an arrangement or arrangements involving the
42 buyer and seller in a given power purchase contract and, in some
43 cases third parties, for consideration to be given by the buyer in
44 order to effectuate a reduction in the pricing, or the restructuring of
45 other terms to reduce the overall cost of the power contract, for the
46 remaining succeeding period of the purchased power arrangement
47 or arrangements **[:]**.

1 "Buyout" means an arrangement or arrangements involving the
2 buyer and seller in a given power purchase contract and, in some
3 cases third parties, for consideration to be given by the buyer in
4 order to effectuate a termination of such power purchase contract
5 **【;】**.

6 "Class I renewable energy" means electric energy produced from
7 solar technologies, photovoltaic technologies, wind energy, fuel
8 cells, geothermal technologies, wave or tidal action, small scale
9 hydropower facilities with a capacity of three megawatts or less and
10 put into service after the effective date of P.L.2012, c.24, and
11 methane gas from landfills or a biomass facility, provided that the
12 biomass is cultivated and harvested in a sustainable manner **【;】**.

13 "Class II renewable energy" means electric energy produced
14 at a hydropower facility with a capacity of greater than three
15 megawatts , but less than 30 megawatts, or a resource recovery
16 facility, provided that **【such】** the facility is located where retail
17 competition is permitted and provided further that the
18 Commissioner of Environmental Protection has determined that
19 **【such】** the facility meets the highest environmental standards
20 and minimizes any impacts to the environment and local
21 communities **【;】**. Class II renewable energy shall not include
22 electric energy produced at a hydropower facility with a capacity of
23 greater than 30 megawatts on or after the effective date of P.L. _____,
24 c. (C. _____) (pending before the Legislature as this bill).

25 "Co-generation" means the sequential production of electricity
26 and steam or other forms of useful energy used for industrial or
27 commercial heating and cooling purposes **【;】**.

28 "Combined cycle power facility" means a generation facility that
29 combines two or more thermodynamic cycles, by producing electric
30 power via the combustion of fuel and then routing the resulting
31 waste heat by-product to a conventional boiler or to a heat recovery
32 steam generator for use by a steam turbine to produce electric
33 power, thereby increasing the overall efficiency of the generating
34 facility **【;】**.

35 "Combined heat and power facility" or "co-generation facility"
36 means a generation facility which produces electric energy and
37 steam or other forms of useful energy such as heat, which are used
38 for industrial or commercial heating or cooling purposes. A
39 combined heat and power facility or co-generation facility shall not
40 be considered a public utility **【;】**.

41 "Competitive service" means any service offered by an electric
42 public utility or a gas public utility that the board determines to be
43 competitive pursuant to section 8 or section 10 of P.L.1999, c.23
44 (C.48:3-56 or C.48:3-58) or that is not regulated by the board **【;】**.

45 "Commercial and industrial energy pricing class customer" or
46 "CIEP class customer" means that group of non-residential
47 customers with high peak demand, as determined by periodic board

1 order, which either is eligible or which would be eligible, as
2 determined by periodic board order, to receive funds from the Retail
3 Margin Fund established pursuant to section 9 of P.L.1999, c.23
4 (C.48:3-57) and for which basic generation service is hourly-priced
5 **【;】**

6 "Comprehensive resource analysis" means an analysis including,
7 but not limited to, an assessment of existing market barriers to the
8 implementation of energy efficiency and renewable technologies
9 that are not or cannot be delivered to customers through a
10 competitive marketplace **【;】**

11 "Connected to the distribution system" means, for a solar electric
12 power generation facility, that the facility is: (1) connected to a net
13 metering customer's side of a meter, regardless of the voltage at
14 which that customer connects to the electric grid **【;】**; (2) an on-site
15 generation facility **【;】**; (3) qualified for net metering aggregation as
16 provided pursuant to paragraph (4) of subsection e. of section 38 of
17 P.L.1999, c.23 (C.48:3-87) **【;】**; (4) owned or operated by an electric
18 public utility and approved by the board pursuant to section 13 of
19 P.L.2007, c.340 (C.48:3-98.1) **【;】**; (5) directly connected to the
20 electric grid at **【69kilovolts】** 69 kilovolts or less, regardless of how
21 an electric public utility classifies that portion of its electric grid,
22 and is designated as "connected to the distribution system" by the
23 board pursuant to subsections q. through s. of section 38 of
24 P.L.1999, c.23 (C.48:3-87) **【;】**; or (6) is certified by the board, in
25 consultation with the Department of Environmental Protection, as
26 being located on a brownfield, on an area of historic fill, or on a
27 properly closed sanitary landfill facility. Any solar electric power
28 generation facility, other than that of a net metering customer on the
29 customer's side of the meter, connected above 69 kilovolts shall not
30 be considered connected to the distribution system **【;】**

31 "Customer" means any person that is an end user and is
32 connected to any part of the transmission and distribution system
33 within an electric public utility's service territory or a gas public
34 utility's service territory within this State **【;】**

35 "Customer account service" means metering, billing, or such
36 other administrative activity associated with maintaining a customer
37 account **【;】**

38 "Delivery year" or "DY" means the 12-month period from June
39 1st through May 31st, numbered according to the calendar year in
40 which it ends **【;】**

41 "Demand side management" means the management of customer
42 demand for energy service through the implementation of cost-
43 effective energy efficiency technologies, including, but not limited
44 to, installed conservation, load management, and energy efficiency
45 measures on and in the residential, commercial, industrial,
46 institutional, and governmental premises and facilities in this State
47 **【;】**

1 "Electric generation service" means the provision of retail
2 electric energy and capacity which is generated off-site from the
3 location at which the consumption of such electric energy and
4 capacity is metered for retail billing purposes, including agreements
5 and arrangements related thereto **【;】**.

6 "Electric power generator" means an entity that proposes to
7 construct, own, lease, or operate, or currently owns, leases, or
8 operates, an electric power production facility that will sell or does
9 sell at least 90 percent of its output, either directly or through a
10 marketer, to a customer or customers located at sites that are not on
11 or contiguous to the site on which the facility will be located or is
12 located. The designation of an entity as an electric power generator
13 for the purposes of P.L.1999, c.23 (C.48:3-49 et al.) shall not, in
14 and of itself, affect the entity's status as an exempt wholesale
15 generator under the Public Utility Holding Company Act of 1935,
16 15 U.S.C. s.79 et seq., or its successor **【;】** act.

17 "Electric power supplier" means a person or entity that is duly
18 licensed pursuant to the provisions of P.L.1999, c.23 (C.48:3-49 et
19 al.) to offer and to assume the contractual and legal responsibility to
20 provide electric generation service to retail customers, and includes
21 load serving entities, marketers, and brokers that offer or provide
22 electric generation service to retail customers. The term excludes an
23 electric public utility that provides electric generation service only
24 as a basic generation service pursuant to section 9 of P.L.1999, c.23
25 (C.48:3-57) **【;】**.

26 "Electric public utility" means a public utility, as that term is
27 defined in R.S.48:2-13, that transmits and distributes electricity to
28 end users within this State **【;】**.

29 "Electric related service" means a service that is directly related
30 to the consumption of electricity by an end user, including, but not
31 limited to, the installation of demand side management measures at
32 the end user's premises, the maintenance, repair, or replacement of
33 appliances, lighting, motors, or other energy-consuming devices at
34 the end user's premises, and the provision of energy consumption
35 measurement and billing services **【;】**.

36 "Electronic signature" means an electronic sound, symbol, or
37 process, attached to, or logically associated with, a contract or other
38 record, and executed or adopted by a person with the intent to sign
39 the record **【;】**.

40 "Eligible generator" means a developer of a base load or mid-
41 merit electric power generation facility including, but not limited to,
42 an on-site generation facility that qualifies as a capacity resource
43 under PJM criteria and that commences construction after the
44 effective date of P.L.2011, c.9 (C.48:3-98.2 et al.) **【;】**.

45 "Energy agent" means a person that is duly registered pursuant to
46 the provisions of P.L.1999, c.23 (C.48:3-49 et al.), that arranges the
47 sale of retail electricity or electric related services, or retail gas

1 supply or gas related services, between government aggregators or
2 private aggregators and electric power suppliers or gas suppliers,
3 but does not take title to the electric or gas sold **【;】**.

4 "Energy consumer" means a business or residential consumer of
5 electric generation service or gas supply service located within the
6 territorial jurisdiction of a government aggregator **【;】**.

7 "Energy efficiency portfolio standard" means a requirement to
8 procure a specified amount of energy efficiency or demand side
9 management resources as a means of managing and reducing energy
10 usage and demand by customers **【;】**.

11 "Energy year" or "EY" means the 12-month period from June 1st
12 through May 31st, numbered according to the calendar year in
13 which it ends **【;】**.

14 "Existing business relationship" means a relationship formed by
15 a voluntary two-way communication between an electric power
16 supplier, gas supplier, broker, energy agent, marketer, private
17 aggregator, sales representative, or telemarketer and a customer,
18 regardless of an exchange of consideration, on the basis of an
19 inquiry, application, purchase, or transaction initiated by the
20 customer regarding products or services offered by the electric
21 power supplier, gas supplier, broker, energy agent, marketer,
22 private aggregator, sales representative, or telemarketer; however, a
23 consumer's use of electric generation service or gas supply service
24 through the consumer's electric public utility or gas public utility
25 shall not constitute or establish an existing business relationship for
26 the purpose of P.L.2013, c.263 **【;】**.

27 "Farmland" means land actively devoted to agricultural or
28 horticultural use that is valued, assessed, and taxed pursuant to the
29 "Farmland Assessment Act of 1964," P.L.1964, c.48 (C.54:4-23.1 et
30 seq.) **【;】**.

31 "Federal Energy Regulatory Commission" or "FERC" means the
32 federal agency established pursuant to 42 U.S.C. s.7171 et seq. to
33 regulate the interstate transmission of electricity, natural gas, and
34 oil **【;】**.

35 "Final remediation document" shall have the same meaning as
36 provided in section 3 of P.L.1976, c.141 (C.58:10-23.11b) **【;】**.

37 "Financing entity" means an electric public utility, a special
38 purpose entity, or any other assignee of bondable transition
39 property, which issues transition bonds. Except as specifically
40 provided in P.L.1999, c.23 (C.48:3-49 et al.), a financing entity
41 which is not itself an electric public utility shall not be subject to
42 the public utility requirements of Title 48 of the Revised Statutes or
43 any rules or regulations adopted pursuant thereto **【;】**.

44 "Gas public utility" means a public utility, as that term is defined
45 in R.S.48:2-13, that distributes gas to end users within this State
46 **【;】**.

1 "Gas related service" means a service that is directly related to
2 the consumption of gas by an end user, including, but not limited to,
3 the installation of demand side management measures at the end
4 user's premises, the maintenance, repair or replacement of
5 appliances or other energy-consuming devices at the end user's
6 premises, and the provision of energy consumption measurement
7 and billing services **【;】**.

8 "Gas supplier" means a person that is duly licensed pursuant to
9 the provisions of P.L.1999, c.23 (C.48:3-49 et al.) to offer and
10 assume the contractual and legal obligation to provide gas supply
11 service to retail customers, and includes, but is not limited to,
12 marketers and brokers. A non-public utility affiliate of a public
13 utility holding company may be a gas supplier, but a gas public
14 utility or any subsidiary of a gas utility is not a gas supplier. In the
15 event that a gas public utility is not part of a holding company legal
16 structure, a related competitive business segment of that gas public
17 utility may be a gas supplier, provided that related competitive
18 business segment is structurally separated from the gas public
19 utility, and provided that the interactions between the gas public
20 utility and the related competitive business segment are subject to
21 the affiliate relations standards adopted by the board pursuant to
22 subsection k. of section 10 of P.L.1999, c.23 (C.48:3-58) **【;】**.

23 "Gas supply service" means the provision to customers of the
24 retail commodity of gas, but does not include any regulated
25 distribution service **【;】**.

26 "Government aggregator" means any government entity subject
27 to the requirements of the "Local Public Contracts Law," P.L.1971,
28 c.198 (C.40A:11-1 et seq.), the "Public School Contracts Law,"
29 N.J.S.18A:18A-1 et seq., or the "County College Contracts Law,"
30 P.L.1982, c.189 (C.18A:64A-25.1 et seq.), that enters into a written
31 contract with a licensed electric power supplier or a licensed gas
32 supplier for: (1) the provision of electric generation service, electric
33 related service, gas supply service, or gas related service for its own
34 use or the use of other government aggregators; or (2) if a
35 municipal or county government, the provision of electric
36 generation service or gas supply service on behalf of business or
37 residential customers within its territorial jurisdiction **【;】**.

38 "Government energy aggregation program" means a program and
39 procedure pursuant to which a government aggregator enters into a
40 written contract for the provision of electric generation service or
41 gas supply service on behalf of business or residential customers
42 within its territorial jurisdiction **【;】**.

43 "Governmental entity" means any federal, state, municipal, local,
44 or other governmental department, commission, board, agency,
45 court, authority, or instrumentality having competent jurisdiction
46 **【;】**.

1 "Greenhouse gas emissions portfolio standard" means a
2 requirement that addresses or limits the amount of carbon dioxide
3 emissions indirectly resulting from the use of electricity as applied
4 to any electric power suppliers and basic generation service
5 providers of electricity **【;】**.

6 "Historic fill" means generally large volumes of non-indigenous
7 material, no matter what date they were emplaced on the site, used
8 to raise the topographic elevation of a site, which were
9 contaminated prior to emplacement and are in no way connected
10 with the operations at the location of emplacement and which
11 include, but are not limited to, construction debris, dredge spoils,
12 incinerator residue, demolition debris, fly ash, and non-hazardous
13 solid waste. "Historic fill" shall not include any material which is
14 substantially chromate chemical production waste or any other
15 chemical production waste or waste from processing of metal or
16 mineral ores, residues, slags, or tailings **【;】**.

17 "Incremental auction" means an auction conducted by PJM, as
18 part of PJM's reliability pricing model, prior to the start of the
19 delivery year to secure electric capacity as necessary to satisfy the
20 capacity requirements for that delivery year, that is not otherwise
21 provided for in the base residual auction **【;】**.

22 "Leakage" means an increase in greenhouse gas emissions
23 related to generation sources located outside of the State that are not
24 subject to a state, interstate, or regional greenhouse gas emissions
25 cap or standard that applies to generation sources located within the
26 State **【;】**.

27 "Locational deliverability area" or "LDA" means one or more of
28 the zones within the PJM region which are used to evaluate area
29 transmission constraints and reliability issues including electric
30 public utility company zones, sub-zones, and combinations of zones
31 **【;】**.

32 "Long-term capacity agreement pilot program" or "LCAPP"
33 means a pilot program established by the board that includes
34 participation by eligible generators, to seek offers for financially-
35 settled standard offer capacity agreements with eligible generators
36 pursuant to the provisions of P.L.2011, c.9 (C.48:3-98.2 et al.) **【;】**.

37 "Market transition charge" means a charge imposed pursuant to
38 section 13 of P.L.1999, c.23 (C.48:3-61) by an electric public
39 utility, at a level determined by the board, on the electric public
40 utility customers for a limited duration transition period to recover
41 stranded costs created as a result of the introduction of electric
42 power supply competition pursuant to the provisions of P.L.1999,
43 c.23 (C.48:3-49 et al.) **【;】**.

44 "Marketer" means a duly licensed electric power supplier that
45 takes title to electric energy and capacity, transmission and other
46 services from electric power generators and other wholesale
47 suppliers and then assumes the contractual and legal obligation to

1 provide electric generation service, and may include transmission
2 and other services, to an end-use retail customer or customers, or a
3 duly licensed gas supplier that takes title to gas and then assumes
4 the contractual and legal obligation to provide gas supply service to
5 an end-use customer or customers **【;】**.

6 "Mid-merit electric power generation facility" means a
7 generation facility that operates at a capacity factor between
8 baseload generation facilities and peaker generation facilities **【;】**.

9 "Net metering aggregation" means a procedure for calculating
10 the combination of the annual energy usage for all facilities owned
11 by a single customer where such customer is a State entity, school
12 district, county, county agency, county authority, municipality,
13 municipal agency, or municipal authority, and which are served by
14 a solar electric power generating facility as provided pursuant to
15 paragraph (4) of subsection e. of section 38 of P.L.1999, c.23
16 (C.48:3-87) **【;】**.

17 "Net proceeds" means proceeds less transaction and other related
18 costs as determined by the board **【;】**.

19 "Net revenues" means revenues less related expenses, including
20 applicable taxes, as determined by the board **【;】**.

21 "Offshore wind energy" means electric energy produced by a
22 qualified offshore wind project **【;】**.

23 "Offshore wind renewable energy certificate" or "OREC" means
24 a certificate, issued by the board or its designee, representing the
25 environmental attributes of one megawatt hour of electric
26 generation from a qualified offshore wind project **【;】**.

27 "Off-site end use thermal energy services customer" means an
28 end use customer that purchases thermal energy services from an
29 on-site generation facility, combined heat and power facility, or co-
30 generation facility, and that is located on property that is separated
31 from the property on which the on-site generation facility,
32 combined heat and power facility, or co-generation facility is
33 located by more than one easement, public thoroughfare, or
34 transportation or utility-owned right-of-way **【;】**.

35 "On-site generation facility" means a generation facility,
36 including, but not limited to, a generation facility that produces
37 Class I or Class II renewable energy, and equipment and services
38 appurtenant to electric sales by such facility to the end use customer
39 located on the property or on property contiguous to the property on
40 which the end user is located. An on-site generation facility shall
41 not be considered a public utility. The property of the end use
42 customer and the property on which the on-site generation facility is
43 located shall be considered contiguous if they are geographically
44 located next to each other, but may be otherwise separated by an
45 easement, public thoroughfare, transportation or utility-owned
46 right-of-way, or if the end use customer is purchasing thermal
47 energy services produced by the on-site generation facility, for use

1 for heating or cooling, or both, regardless of whether the customer
2 is located on property that is separated from the property on which
3 the on-site generation facility is located by more than one easement,
4 public thoroughfare, or transportation or utility-owned right-of-way
5 **【;】**.

6 "Person" means an individual, partnership, corporation,
7 association, trust, limited liability company, governmental entity, or
8 other legal entity **【;】**.

9 "PJM Interconnection, L.L.C." or "PJM" means the privately-
10 held, limited liability corporation that is a FERC-approved Regional
11 Transmission Organization, or its successor, that manages the
12 regional, high-voltage electricity grid serving all or parts of 13
13 states including New Jersey and the District of Columbia, operates
14 the regional competitive wholesale electric market, manages the
15 regional transmission planning process, and establishes systems and
16 rules to ensure that the regional and in-State energy markets operate
17 fairly and efficiently **【;】**.

18 "Preliminary assessment" shall have the same meaning as
19 provided in section 3 of P.L.1976, c.141 (C.58:10-23.11b) **【;】**.

20 "Private aggregator" means a non-government aggregator that is
21 a duly-organized business or non-profit organization authorized to
22 do business in this State that enters into a contract with a duly
23 licensed electric power supplier for the purchase of electric energy
24 and capacity, or with a duly licensed gas supplier for the purchase
25 of gas supply service, on behalf of multiple end-use customers by
26 combining the loads of those customers **【;】**.

27 "Properly closed sanitary landfill facility" means a sanitary
28 landfill facility, or a portion of a sanitary landfill facility, for which
29 performance is complete with respect to all activities associated
30 with the design, installation, purchase, or construction of all
31 measures, structures, or equipment required by the Department of
32 Environmental Protection, pursuant to law, in order to prevent,
33 minimize, or monitor pollution or health hazards resulting from a
34 sanitary landfill facility subsequent to the termination of operations
35 at any portion thereof, including, but not necessarily limited to, the
36 placement of earthen or vegetative cover, and the installation of
37 methane gas vents or monitors and leachate monitoring wells or
38 collection systems at the site of any sanitary landfill facility **【;】**.

39 "Public utility holding company" means: (1) any company that,
40 directly or indirectly, owns, controls, or holds with power to vote,
41 **【ten】** 10 percent or more of the outstanding voting securities of an
42 electric public utility or a gas public utility or of a company which
43 is a public utility holding company by virtue of this definition,
44 unless the Securities and Exchange Commission, or its successor,
45 by order declares such company not to be a public utility holding
46 company under the Public Utility Holding Company Act of 1935,
47 15 U.S.C. s.79 et seq., or its successor; or (2) any person that the

1 Securities and Exchange Commission, or its successor, determines,
2 after notice and opportunity for hearing, directly or indirectly, to
3 exercise, either alone or pursuant to an arrangement or
4 understanding with one or more other persons, such a controlling
5 influence over the management or policies of an electric public
6 utility or a gas public utility or public utility holding company as to
7 make it necessary or appropriate in the public interest or for the
8 protection of investors or consumers that such person be subject to
9 the obligations, duties, and liabilities imposed in the Public Utility
10 Holding Company Act of 1935, 15 U.S.C. s.79 et seq., or its
11 successor **;** act.

12 "Qualified offshore wind project" means a wind turbine
13 electricity generation facility in the Atlantic Ocean and connected
14 to the electric transmission system in this State, and includes the
15 associated transmission-related interconnection facilities and
16 equipment, and approved by the board pursuant to section 3 of
17 P.L.2010, c.57 (C.48:3-87.1) **;** ;

18 "Registration program" means an administrative process
19 developed by the board pursuant to subsection u. of section 38 of
20 P.L.1999, c.23 (C.48:3-87) that requires all owners of solar electric
21 power generation facilities connected to the distribution system that
22 intend to generate SRECs, to file with the board documents
23 detailing the size, location, interconnection plan, land use, and other
24 project information as required by the board **;** ;

25 "Regulatory asset" means an asset recorded on the books of an
26 electric public utility or gas public utility pursuant to the Statement
27 of Financial Accounting Standards, No. 71, entitled "Accounting for
28 the Effects of Certain Types of Regulation," or any successor
29 standard and as deemed recoverable by the board **;** ;

30 "Related competitive business segment of an electric public
31 utility or gas public utility" means any business venture of an
32 electric public utility or gas public utility including, but not limited
33 to, functionally separate business units, joint ventures, and
34 partnerships, that offers to provide or provides competitive services
35 **;** ;

36 "Related competitive business segment of a public utility holding
37 company" means any business venture of a public utility holding
38 company, including, but not limited to, functionally separate
39 business units, joint ventures, and partnerships and subsidiaries, that
40 offers to provide or provides competitive services, but does not
41 include any related competitive business segments of an electric
42 public utility or gas public utility **;** ;

43 "Reliability pricing model" or "RPM" means PJM's capacity-
44 market model, and its successors, that secures capacity on behalf of
45 electric load serving entities to satisfy load obligations not satisfied
46 through the output of electric generation facilities owned by those

1 entities, or otherwise secured by those entities through bilateral
2 contracts [;].

3 "Renewable energy certificate" or "REC" means a certificate
4 representing the environmental benefits or attributes of one
5 megawatt-hour of generation from a generating facility that
6 produces Class I or Class II renewable energy, but shall not include
7 a solar renewable energy certificate or an offshore wind renewable
8 energy certificate [;].

9 "Resource clearing price" or "RCP" means the clearing price
10 established for the applicable locational deliverability area by the
11 base residual auction or incremental auction, as determined by the
12 optimization algorithm for each auction, conducted by PJM as part
13 of PJM's reliability pricing model [;].

14 "Resource recovery facility" means a solid waste facility
15 constructed and operated for the incineration of solid waste for
16 energy production and the recovery of metals and other materials
17 for reuse, which the Department of Environmental Protection has
18 determined to be in compliance with current environmental
19 standards, including, but not limited to, all applicable requirements
20 of the federal "Clean Air Act" (42 U.S.C. s.7401 et seq.) [;].

21 "Restructuring related costs" means reasonably incurred costs
22 directly related to the restructuring of the electric power industry,
23 including the closure, sale, functional separation, and divestiture of
24 generation and other competitive utility assets by a public utility, or
25 the provision of competitive services as [such] those costs are
26 determined by the board, and which are not stranded costs as
27 defined in P.L.1999, c.23 (C.48:3-49 et al.) but may include, but not
28 be limited to, investments in management information systems, and
29 which shall include expenses related to employees affected by
30 restructuring which result in efficiencies and which result in
31 benefits to ratepayers, such as training or retraining at the level
32 equivalent to one year's training at a vocational or technical school
33 or county community college, the provision of severance pay of two
34 weeks of base pay for each year of full-time employment, and a
35 maximum of 24 months' continued health care coverage. Except as
36 to expenses related to employees affected by restructuring,
37 "restructuring related costs" shall not include going forward costs
38 [;].

39 "Retail choice" means the ability of retail customers to shop for
40 electric generation or gas supply service from electric power or gas
41 suppliers, or opt to receive basic generation service or basic gas
42 service, and the ability of an electric power or gas supplier to offer
43 electric generation service or gas supply service to retail customers,
44 consistent with the provisions of P.L.1999, c.23 (C.48:3-49 et al.)
45 [;].

46 "Retail margin" means an amount, reflecting differences in
47 prices that electric power suppliers and electric public utilities may

1 charge in providing electric generation service and basic generation
2 service, respectively, to retail customers, excluding residential
3 customers, which the board may authorize to be charged to
4 categories of basic generation service customers of electric public
5 utilities in this State, other than residential customers, under the
6 board's continuing regulation of basic generation service pursuant to
7 sections 3 and 9 of P.L.1999, c.23 (C.48:3-51 and 48:3-57), for the
8 purpose of promoting a competitive retail market for the supply of
9 electricity **【;】**.

10 "Sales representative" means a person employed by, acting on
11 behalf of, or as an independent contractor for, an electric power
12 supplier, gas supplier, broker, energy agent, marketer, or private
13 aggregator who, by any means, solicits a potential residential
14 customer for the provision of electric generation service or gas
15 supply service **【;】**.

16 "Sanitary landfill facility" shall have the same meaning as
17 provided in section 3 of P.L.1970, c.39 (C.13:1E-3) **【;】**.

18 "School district" means a local or regional school district
19 established pursuant to chapter 8 or chapter 13 of Title 18A of the
20 New Jersey Statutes, a county special services school district
21 established pursuant to article 8 of chapter 46 of Title 18A of the
22 New Jersey Statutes, a county vocational school district established
23 pursuant to article 3 of chapter 54 of Title 18A of the New Jersey
24 Statutes, and a district under full State intervention pursuant to
25 P.L.1987, c.399 (C.18A:7A-34 et al.) **【;】**.

26 "Shopping credit" means an amount deducted from the bill of an
27 electric public utility customer to reflect the fact that **【such】** the
28 customer has switched to an electric power supplier and no longer
29 takes basic generation service from the electric public utility **【;】**.

30 "Site investigation" shall have the same meaning as provided in
31 section 3 of P.L.1976, c.141 (C.58:10-23.11b) **【;】**.

32 "Small scale hydropower facility" means a facility located within
33 this State that is connected to the distribution system, and that
34 meets the requirements of, and has been certified by, a nationally
35 recognized low-impact hydropower organization that has
36 established low-impact hydropower certification criteria applicable
37 to: (1) river flows; (2) water quality; (3) fish passage and
38 protection; (4) watershed protection; (5) threatened and endangered
39 species protection; (6) cultural resource protection; (7) recreation;
40 and (8) facilities recommended for removal **【;】**.

41 "Social program" means a program implemented with board
42 approval to provide assistance to a group of disadvantaged
43 customers, to provide protection to consumers, or to accomplish a
44 particular societal goal, and includes, but is not limited to, the
45 winter moratorium program, utility practices concerning "bad debt"
46 customers, low income assistance, deferred payment plans,
47 weatherization programs, and late payment and deposit policies, but

1 does not include any demand side management program or any
2 environmental requirements or controls **【;】**.

3 "Societal benefits charge" means a charge imposed by an electric
4 public utility, at a level determined by the board, pursuant to, and in
5 accordance with, section 12 of P.L.1999, c.23 (C.48:3-60) **【;】**.

6 "Solar alternative compliance payment" or "SACP" means a
7 payment of a certain dollar amount per megawatt hour (MWh)
8 which an electric power supplier or provider may submit to the
9 board in order to comply with the solar electric generation
10 requirements under section 38 of P.L.1999, c.23 (C.48:3-87) **【;】**.

11 "Solar renewable energy certificate" or "SREC" means a
12 certificate issued by the board or its designee, representing one
13 megawatt hour (MWh) of solar energy that is generated by a facility
14 connected to the distribution system in this State and has value
15 based upon, and driven by, the energy market **【;】**.

16 "Standard offer capacity agreement" or "SOCA" means a
17 financially-settled transaction agreement, approved by board order,
18 that provides for eligible generators to receive payments from the
19 electric public utilities for a defined amount of electric capacity for
20 a term to be determined by the board but not to exceed 15 years,
21 and for such payments to be a fully non-bypassable charge, with
22 such an order, once issued, being irrevocable **【;】**.

23 "Standard offer capacity price" or "SOCP" means the capacity
24 price that is fixed for the term of the SOCA and which is the price
25 to be received by eligible generators under a board-approved SOCA
26 **【;】**.

27 "State entity" means a department, agency, or office of State
28 government, a State university or college, or an authority created by
29 the State **【;】**.

30 "Stranded cost" means the amount by which the net cost of an
31 electric public utility's electric generating assets or electric power
32 purchase commitments, as determined by the board consistent with
33 the provisions of P.L.1999, c.23 (C.48:3-49 et al.), exceeds the
34 market value of those assets or contractual commitments in a
35 competitive supply marketplace and the costs of buydowns or
36 buyouts of power purchase contracts **【;】**.

37 "Stranded costs recovery order" means each order issued by the
38 board in accordance with subsection c. of section 13 of P.L.1999,
39 c.23 (C.48:3-61) which sets forth the amount of stranded costs, if
40 any, the board has determined an electric public utility is eligible to
41 recover and collect in accordance with the standards set forth in
42 section 13 of P.L.1999, c.23 (C.48:3-61) and the recovery
43 mechanisms therefor **【;】**.

44 "Telemarketer" shall have the same meaning as set forth in
45 section 2 of P.L.2003, c.76 (C.56:8-120) **【;】**.

46 "Telemarketing sales call" means a telephone call made by a
47 telemarketer to a potential residential customer as part of a plan,

1 program, or campaign to encourage the customer to change the
2 customer's electric power supplier or gas supplier. A telephone call
3 made to an existing customer of an electric power supplier, gas
4 supplier, broker, energy agent, marketer, private aggregator, or
5 sales representative, for the sole purpose of collecting on accounts
6 or following up on contractual obligations, shall not be deemed a
7 telemarketing sales call. A telephone call made in response to an
8 express written request of a customer shall not be deemed a
9 telemarketing sales call **【;】**.

10 "Thermal efficiency" means the useful electric energy output of a
11 facility, plus the useful thermal energy output of the facility,
12 expressed as a percentage of the total energy input to the facility
13 **【;】**.

14 "Transition bond charge" means a charge, expressed as an
15 amount per kilowatt hour, that is authorized by and imposed on
16 electric public utility ratepayers pursuant to a bondable stranded
17 costs rate order, as modified at any time pursuant to the provisions
18 of P.L.1999, c.23 (C.48:3-49 et al.) **【;】**.

19 "Transition bonds" means bonds, notes, certificates of
20 participation **【or】**, beneficial interest, or other evidences of
21 indebtedness or ownership issued pursuant to an indenture, contract,
22 or other agreement of an electric public utility or a financing entity,
23 the proceeds of which are used, directly or indirectly, to recover,
24 finance or refinance bondable stranded costs and which are, directly
25 or indirectly, secured by or payable from bondable transition
26 property. References in P.L.1999, c.23 (C.48:3-49 et al.) to
27 principal, interest, and acquisition or redemption premium with
28 respect to transition bonds which are issued in the form of
29 certificates of participation or beneficial interest or other evidences
30 of ownership shall refer to the comparable payments on such
31 securities **【;】**.

32 "Transition period" means the period from August 1, 1999
33 through July 31, 2003 **【;】**.

34 "Transmission and distribution system" means, with respect to an
35 electric public utility, any facility or equipment that is used for the
36 transmission, distribution, or delivery of electricity to the customers
37 of the electric public utility including, but not limited to, the land,
38 structures, meters, lines, switches, and all other appurtenances
39 thereof and thereto, owned or controlled by the electric public
40 utility within this State **【;】**.

41 "Universal service" means any service approved by the board
42 with the purpose of assisting low-income residential customers in
43 obtaining or retaining electric generation or delivery service
44 **【; and】**.

45 "Unsolicited advertisement" means any advertising claims of the
46 commercial availability or quality of services provided by an
47 electric power supplier, gas supplier, broker, energy agent,

1 marketer, private aggregator, sales representative, or telemarketer
2 which is transmitted to a potential customer without that customer's
3 prior express invitation or permission.
4 (cf: P.L.2013, c.263, s.1)

5

6 2. This act shall take effect immediately.

7

8

9

STATEMENT

10

11 This bill amends the definition of "Class II renewable energy" in
12 the "Electric Discount and Energy Competition Act." Under current
13 law, "Class II renewable energy" includes hydropower facilities
14 with a capacity of greater than three megawatts. These amendments
15 clarify that "Class II renewable energy" is to include hydropower
16 facilities with a capacity of greater than three megawatts but less
17 than 30 megawatts. Class II renewable energy is not to include
18 electric energy produced at a hydropower facility with a capacity of
19 greater than 30 megawatts on or after the effective date of this bill.

20

21

22

23

24 Amends definition of "Class II renewable energy."

ASSEMBLY, No. 3455

STATE OF NEW JERSEY 216th LEGISLATURE

INTRODUCED JUNE 26, 2014

Sponsored by:

Assemblyman UPENDRA J. CHIVUKULA

District 17 (Middlesex and Somerset)

Assemblyman RAJ MUKHERJI

District 33 (Hudson)

Assemblywoman NANCY J. PINKIN

District 18 (Middlesex)

Assemblyman TROY SINGLETON

District 7 (Burlington)

Assemblyman JOE DANIELSEN

District 17 (Middlesex and Somerset)

Assemblywoman ELIANA PINTOR MARIN

District 29 (Essex)

Senator BOB SMITH

District 17 (Middlesex and Somerset)

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District 16 (Hunterdon, Mercer, Middlesex and Somerset)

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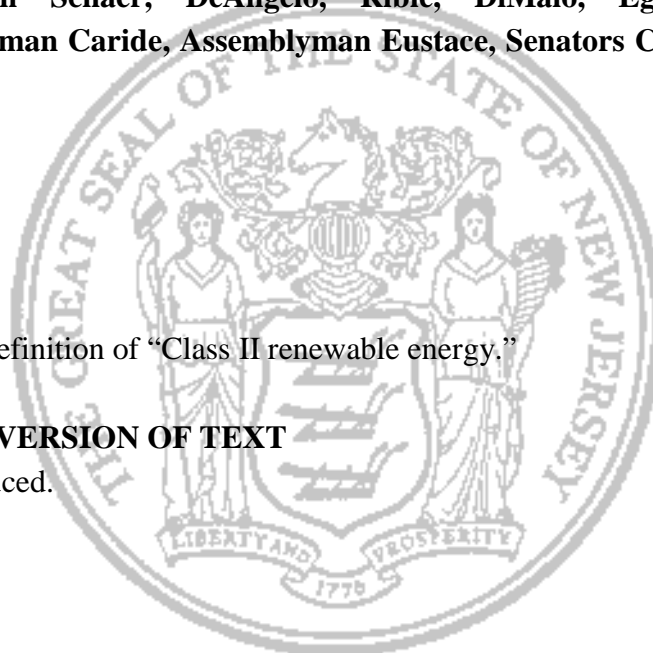
**Assemblymen Schaer, DeAngelo, Rible, DiMaio, Egan, Diegnan,
Assemblywoman Caride, Assemblyman Eustace, Senators Cruz-Perez and
Oroho**

SYNOPSIS

Amends definition of "Class II renewable energy."

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 3/17/2015)

1 AN ACT concerning the definition of "Class II renewable energy,"
2 and amending P.L.1999, c.23.

3

4 **BE IT ENACTED** by the Senate and General Assembly of the State
5 of New Jersey:

6

7 1. Section 3 of P.L.1999, c.23 (C.48:3-51) is amended to read
8 as follows:

9 3. As used in P.L.1999, c.23 (C.48:3-49 et al.):

10 "Assignee" means a person to which an electric public utility or
11 another assignee assigns, sells, or transfers, other than as security,
12 all or a portion of its right to or interest in bondable transition
13 property. Except as specifically provided in P.L.1999, c.23
14 (C.48:3-49 et al.), an assignee shall not be subject to the public
15 utility requirements of Title 48 or any rules or regulations adopted
16 pursuant thereto **;**.

17 "Base load electric power generation facility" means an electric
18 power generation facility intended to be operated at a greater than
19 50 percent capacity factor including, but not limited to, a combined
20 cycle power facility and a combined heat and power facility **;**.

21 "Base residual auction" means the auction conducted by PJM, as
22 part of PJM's reliability pricing model, three years prior to the start
23 of the delivery year to secure electrical capacity as necessary to
24 satisfy the capacity requirements for that delivery year **;**.

25 "Basic gas supply service" means gas supply service that is
26 provided to any customer that has not chosen an alternative gas
27 supplier, whether or not the customer has received offers as to
28 competitive supply options, including, but not limited to, any
29 customer that cannot obtain such service for any reason, including
30 non-payment for services. Basic gas supply service is not a
31 competitive service and shall be fully regulated by the board **;**.

32 "Basic generation service" or "BGS" means electric generation
33 service that is provided, to any customer that has not chosen an
34 alternative electric power supplier, whether or not the customer has
35 received offers for competitive supply options, including, but not
36 limited to, any customer that cannot obtain such service from an
37 electric power supplier for any reason, including non-payment for
38 services. Basic generation service is not a competitive service and
39 shall be fully regulated by the board **;**.

40 "Basic generation service provider" or "provider" means a
41 provider of basic generation service **;**.

42 "Basic generation service transition costs" means the amount by
43 which the payments by an electric public utility for the procurement
44 of power for basic generation service and related ancillary and
45 administrative costs exceeds the net revenues from the basic

EXPLANATION – Matter enclosed in bold-faced brackets **[thus]** in the above bill is
not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

1 generation service charge established by the board pursuant to
2 section 9 of P.L.1999, c.23 (C.48:3-57) during the transition period,
3 together with interest on the balance at the board-approved rate, that
4 is reflected in a deferred balance account approved by the board in
5 an order addressing the electric public utility's unbundled rates,
6 stranded costs, and restructuring filings pursuant to P.L.1999, c.23
7 (C.48:3-49 et al.). Basic generation service transition costs shall
8 include, but are not limited to, costs of purchases from the spot
9 market, bilateral contracts, contracts with non-utility generators,
10 parting contracts with the purchaser of the electric public utility's
11 divested generation assets, short-term advance purchases, and
12 financial instruments such as hedging, forward contracts, and
13 options. Basic generation service transition costs shall also include
14 the payments by an electric public utility pursuant to a competitive
15 procurement process for basic generation service supply during the
16 transition period, and costs of any such process used to procure the
17 basic generation service supply **【;】**.

18 "Board" means the New Jersey Board of Public Utilities or any
19 successor agency **【;】**.

20 "Bondable stranded costs" means any stranded costs or basic
21 generation service transition costs of an electric public utility
22 approved by the board for recovery pursuant to the provisions of
23 P.L.1999, c.23 (C.48:3-49 et al.), together with, as approved by the
24 board: (1) the cost of retiring existing debt or equity capital of the
25 electric public utility, including accrued interest, premium and other
26 fees, costs, and charges relating thereto, with the proceeds of the
27 financing of bondable transition property; (2) if requested by an
28 electric public utility in its application for a bondable stranded costs
29 rate order, federal, State and local tax liabilities associated with
30 stranded costs recovery **【or】**, basic generation service transition
31 cost recovery, or the transfer or financing of **【such】** the property, or
32 both, including taxes, whose recovery period is modified by the
33 effect of a stranded costs recovery order, a bondable stranded costs
34 rate order, or both; and (3) the costs incurred to issue, service or
35 refinance transition bonds, including interest, acquisition or
36 redemption premium, and other financing costs, whether paid upon
37 issuance or over the life of the transition bonds, including, but not
38 limited to, credit enhancements, service charges,
39 overcollateralization, interest rate cap, swap or collar, yield
40 maintenance, maturity guarantee or other hedging agreements,
41 equity investments, operating costs, and other related fees, costs,
42 and charges, or to assign, sell, or otherwise transfer bondable
43 transition property **【;】**.

44 "Bondable stranded costs rate order" means one or more
45 irrevocable written orders issued by the board pursuant to P.L.1999,
46 c.23 (C.48:3-49 et al.) which determines the amount of bondable
47 stranded costs and the initial amount of transition bond charges

1 authorized to be imposed to recover **【such】** the bondable stranded
2 costs, including the costs to be financed from the proceeds of the
3 transition bonds, as well as on-going costs associated with servicing
4 and credit enhancing the transition bonds, and provides the electric
5 public utility specific authority to issue or cause to be issued,
6 directly or indirectly, transition bonds through a financing entity
7 and related matters as provided in P.L.1999, c.23 (C.48:3-49 et al.),
8 which order shall become effective immediately upon the written
9 consent of the related electric public utility to **【such】** the order as
10 provided in P.L.1999, c.23 (C.48:3-49 et al.) **【;】**.

11 "Bondable transition property" means the property consisting of
12 the irrevocable right to charge, collect, and receive, and be paid
13 from collections of, transition bond charges in the amount necessary
14 to provide for the full recovery of bondable stranded costs which
15 are determined to be recoverable in a bondable stranded costs rate
16 order, all rights of the related electric public utility under **【such】**
17 the bondable stranded costs rate order including, without limitation,
18 all rights to obtain periodic adjustments of the related transition
19 bond charges pursuant to subsection b. of section 15 of P.L.1999,
20 c.23 (C.48:3-64), and all revenues, collections, payments, money,
21 and proceeds arising under, or with respect to, all of the foregoing
22 **【;】**.

23 "British thermal unit" or "Btu" means the amount of heat
24 required to increase the temperature of one pound of water by one
25 degree Fahrenheit **【;】**.

26 "Broker" means a duly licensed electric power supplier that
27 assumes the contractual and legal responsibility for the sale of
28 electric generation service, transmission, or other services to end-
29 use retail customers, but does not take title to any of the power sold,
30 or a duly licensed gas supplier that assumes the contractual and
31 legal obligation to provide gas supply service to end-use retail
32 customers, but does not take title to the gas **【;】**.

33 "Brownfield" means any former or current commercial or
34 industrial site that is currently vacant or underutilized and on which
35 there has been, or there is suspected to have been, a discharge of a
36 contaminant **【;】**.

37 "Buydown" means an arrangement or arrangements involving the
38 buyer and seller in a given power purchase contract and, in some
39 cases third parties, for consideration to be given by the buyer in
40 order to effectuate a reduction in the pricing, or the restructuring of
41 other terms to reduce the overall cost of the power contract, for the
42 remaining succeeding period of the purchased power arrangement
43 or arrangements **【;】**.

44 "Buyout" means an arrangement or arrangements involving the
45 buyer and seller in a given power purchase contract and, in some
46 cases third parties, for consideration to be given by the buyer in

1 order to effectuate a termination of such power purchase contract
2 **[:]**.

3 "Class I renewable energy" means electric energy produced from
4 solar technologies, photovoltaic technologies, wind energy, fuel
5 cells, geothermal technologies, wave or tidal action, small scale
6 hydropower facilities with a capacity of three megawatts or less and
7 put into service after the effective date of P.L.2012, c.24, and
8 methane gas from landfills or a biomass facility, provided that the
9 biomass is cultivated and harvested in a sustainable manner **[:]**.

10 "Class II renewable energy" means electric energy produced
11 at a hydropower facility with a capacity of greater than three
12 megawatts, but less than 30 megawatts, or a resource recovery
13 facility, provided that **[such]** the facility is located where retail
14 competition is permitted and provided further that the
15 Commissioner of Environmental Protection has determined that
16 **[such]** the facility meets the highest environmental standards
17 and minimizes any impacts to the environment and local
18 communities **[:]**. Class II renewable energy shall not include
19 electric energy produced at a hydropower facility with a capacity of
20 greater than 30 megawatts on or after the effective date of P.L. _____,
21 c. (C. _____) (pending before the Legislature as this bill).

22 "Co-generation" means the sequential production of electricity
23 and steam or other forms of useful energy used for industrial or
24 commercial heating and cooling purposes **[:]**.

25 "Combined cycle power facility" means a generation facility that
26 combines two or more thermodynamic cycles, by producing electric
27 power via the combustion of fuel and then routing the resulting
28 waste heat by-product to a conventional boiler or to a heat recovery
29 steam generator for use by a steam turbine to produce electric
30 power, thereby increasing the overall efficiency of the generating
31 facility **[:]**.

32 "Combined heat and power facility" or "co-generation facility"
33 means a generation facility which produces electric energy and
34 steam or other forms of useful energy such as heat, which are used
35 for industrial or commercial heating or cooling purposes. A
36 combined heat and power facility or co-generation facility shall not
37 be considered a public utility **[:]**.

38 "Competitive service" means any service offered by an electric
39 public utility or a gas public utility that the board determines to be
40 competitive pursuant to section 8 or section 10 of P.L.1999, c.23
41 (C.48:3-56 or C.48:3-58) or that is not regulated by the board **[:]**.

42 "Commercial and industrial energy pricing class customer" or
43 "CIEP class customer" means that group of non-residential
44 customers with high peak demand, as determined by periodic board
45 order, which either is eligible or which would be eligible, as
46 determined by periodic board order, to receive funds from the Retail
47 Margin Fund established pursuant to section 9 of P.L.1999, c.23

1 (C.48:3-57) and for which basic generation service is hourly-priced
2 **【;】**.

3 "Comprehensive resource analysis" means an analysis including,
4 but not limited to, an assessment of existing market barriers to the
5 implementation of energy efficiency and renewable technologies
6 that are not or cannot be delivered to customers through a
7 competitive marketplace **【;】**.

8 "Connected to the distribution system" means, for a solar electric
9 power generation facility, that the facility is: (1) connected to a net
10 metering customer's side of a meter, regardless of the voltage at
11 which that customer connects to the electric grid **【;】**; (2) an on-site
12 generation facility **【;】**; (3) qualified for net metering aggregation as
13 provided pursuant to paragraph (4) of subsection e. of section 38 of
14 P.L.1999, c.23 (C.48:3-87) **【;】**; (4) owned or operated by an electric
15 public utility and approved by the board pursuant to section 13 of
16 P.L.2007, c.340 (C.48:3-98.1) **【;】**; (5) directly connected to the
17 electric grid at **【69kilovolts】** 69 kilovolts or less, regardless of how
18 an electric public utility classifies that portion of its electric grid,
19 and is designated as "connected to the distribution system" by the
20 board pursuant to subsections q. through s. of section 38 of
21 P.L.1999, c.23 (C.48:3-87) **【;】**; or (6) is certified by the board, in
22 consultation with the Department of Environmental Protection, as
23 being located on a brownfield, on an area of historic fill, or on a
24 properly closed sanitary landfill facility. Any solar electric power
25 generation facility, other than that of a net metering customer on the
26 customer's side of the meter, connected above 69 kilovolts shall not
27 be considered connected to the distribution system **【;】**.

28 "Customer" means any person that is an end user and is
29 connected to any part of the transmission and distribution system
30 within an electric public utility's service territory or a gas public
31 utility's service territory within this State **【;】**.

32 "Customer account service" means metering, billing, or such
33 other administrative activity associated with maintaining a customer
34 account **【;】**.

35 "Delivery year" or "DY" means the 12-month period from June
36 1st through May 31st, numbered according to the calendar year in
37 which it ends **【;】**.

38 "Demand side management" means the management of customer
39 demand for energy service through the implementation of cost-
40 effective energy efficiency technologies, including, but not limited
41 to, installed conservation, load management, and energy efficiency
42 measures on and in the residential, commercial, industrial,
43 institutional, and governmental premises and facilities in this State
44 **【;】**.

45 "Electric generation service" means the provision of retail
46 electric energy and capacity which is generated off-site from the
47 location at which the consumption of such electric energy and

1 capacity is metered for retail billing purposes, including agreements
2 and arrangements related thereto **[;]**.

3 "Electric power generator" means an entity that proposes to
4 construct, own, lease, or operate, or currently owns, leases, or
5 operates, an electric power production facility that will sell or does
6 sell at least 90 percent of its output, either directly or through a
7 marketer, to a customer or customers located at sites that are not on
8 or contiguous to the site on which the facility will be located or is
9 located. The designation of an entity as an electric power generator
10 for the purposes of P.L.1999, c.23 (C.48:3-49 et al.) shall not, in
11 and of itself, affect the entity's status as an exempt wholesale
12 generator under the Public Utility Holding Company Act of 1935,
13 15 U.S.C. s.79 et seq., or its successor **[;] act.**

14 "Electric power supplier" means a person or entity that is duly
15 licensed pursuant to the provisions of P.L.1999, c.23 (C.48:3-49 et
16 al.) to offer and to assume the contractual and legal responsibility to
17 provide electric generation service to retail customers, and includes
18 load serving entities, marketers, and brokers that offer or provide
19 electric generation service to retail customers. The term excludes an
20 electric public utility that provides electric generation service only
21 as a basic generation service pursuant to section 9 of P.L.1999, c.23
22 (C.48:3-57) **[;]**.

23 "Electric public utility" means a public utility, as that term is
24 defined in R.S.48:2-13, that transmits and distributes electricity to
25 end users within this State **[;]**.

26 "Electric related service" means a service that is directly related
27 to the consumption of electricity by an end user, including, but not
28 limited to, the installation of demand side management measures at
29 the end user's premises, the maintenance, repair, or replacement of
30 appliances, lighting, motors, or other energy-consuming devices at
31 the end user's premises, and the provision of energy consumption
32 measurement and billing services **[;]**.

33 "Electronic signature" means an electronic sound, symbol, or
34 process, attached to, or logically associated with, a contract or other
35 record, and executed or adopted by a person with the intent to sign
36 the record **[;]**.

37 "Eligible generator" means a developer of a base load or mid-
38 merit electric power generation facility including, but not limited to,
39 an on-site generation facility that qualifies as a capacity resource
40 under PJM criteria and that commences construction after the
41 effective date of P.L.2011, c.9 (C.48:3-98.2 et al.) **[;]**.

42 "Energy agent" means a person that is duly registered pursuant to
43 the provisions of P.L.1999, c.23 (C.48:3-49 et al.), that arranges the
44 sale of retail electricity or electric related services, or retail gas
45 supply or gas related services, between government aggregators or
46 private aggregators and electric power suppliers or gas suppliers,
47 but does not take title to the electric or gas sold **[;]**.

1 "Energy consumer" means a business or residential consumer of
2 electric generation service or gas supply service located within the
3 territorial jurisdiction of a government aggregator **[:]**.

4 "Energy efficiency portfolio standard" means a requirement to
5 procure a specified amount of energy efficiency or demand side
6 management resources as a means of managing and reducing energy
7 usage and demand by customers **[:]**.

8 "Energy year" or "EY" means the 12-month period from June 1st
9 through May 31st, numbered according to the calendar year in
10 which it ends **[:]**.

11 "Existing business relationship" means a relationship formed by
12 a voluntary two-way communication between an electric power
13 supplier, gas supplier, broker, energy agent, marketer, private
14 aggregator, sales representative, or telemarketer and a customer,
15 regardless of an exchange of consideration, on the basis of an
16 inquiry, application, purchase, or transaction initiated by the
17 customer regarding products or services offered by the electric
18 power supplier, gas supplier, broker, energy agent, marketer,
19 private aggregator, sales representative, or telemarketer; however, a
20 consumer's use of electric generation service or gas supply service
21 through the consumer's electric public utility or gas public utility
22 shall not constitute or establish an existing business relationship for
23 the purpose of P.L.2013, c.263 **[:]**.

24 "Farmland" means land actively devoted to agricultural or
25 horticultural use that is valued, assessed, and taxed pursuant to the
26 "Farmland Assessment Act of 1964," P.L.1964, c.48 (C.54:4-23.1 et
27 seq.) **[:]**.

28 "Federal Energy Regulatory Commission" or "FERC" means the
29 federal agency established pursuant to 42 U.S.C. s.7171 et seq. to
30 regulate the interstate transmission of electricity, natural gas, and
31 oil **[:]**.

32 "Final remediation document" shall have the same meaning as
33 provided in section 3 of P.L.1976, c.141 (C.58:10-23.11b) **[:]**.

34 "Financing entity" means an electric public utility, a special
35 purpose entity, or any other assignee of bondable transition
36 property, which issues transition bonds. Except as specifically
37 provided in P.L.1999, c.23 (C.48:3-49 et al.), a financing entity
38 which is not itself an electric public utility shall not be subject to
39 the public utility requirements of Title 48 of the Revised Statutes or
40 any rules or regulations adopted pursuant thereto **[:]**.

41 "Gas public utility" means a public utility, as that term is defined
42 in R.S.48:2-13, that distributes gas to end users within this State
43 **[:]**.

44 "Gas related service" means a service that is directly related to
45 the consumption of gas by an end user, including, but not limited to,
46 the installation of demand side management measures at the end
47 user's premises, the maintenance, repair or replacement of

1 appliances or other energy-consuming devices at the end user's
2 premises, and the provision of energy consumption measurement
3 and billing services **【;】**.

4 "Gas supplier" means a person that is duly licensed pursuant to
5 the provisions of P.L.1999, c.23 (C.48:3-49 et al.) to offer and
6 assume the contractual and legal obligation to provide gas supply
7 service to retail customers, and includes, but is not limited to,
8 marketers and brokers. A non-public utility affiliate of a public
9 utility holding company may be a gas supplier, but a gas public
10 utility or any subsidiary of a gas utility is not a gas supplier. In the
11 event that a gas public utility is not part of a holding company legal
12 structure, a related competitive business segment of that gas public
13 utility may be a gas supplier, provided that related competitive
14 business segment is structurally separated from the gas public
15 utility, and provided that the interactions between the gas public
16 utility and the related competitive business segment are subject to
17 the affiliate relations standards adopted by the board pursuant to
18 subsection k. of section 10 of P.L.1999, c.23 (C.48:3-58) **【;】**.

19 "Gas supply service" means the provision to customers of the
20 retail commodity of gas, but does not include any regulated
21 distribution service **【;】**.

22 "Government aggregator" means any government entity subject
23 to the requirements of the "Local Public Contracts Law," P.L.1971,
24 c.198 (C.40A:11-1 et seq.), the "Public School Contracts Law,"
25 N.J.S.18A:18A-1 et seq., or the "County College Contracts Law,"
26 P.L.1982, c.189 (C.18A:64A-25.1 et seq.), that enters into a written
27 contract with a licensed electric power supplier or a licensed gas
28 supplier for: (1) the provision of electric generation service, electric
29 related service, gas supply service, or gas related service for its own
30 use or the use of other government aggregators; or (2) if a
31 municipal or county government, the provision of electric
32 generation service or gas supply service on behalf of business or
33 residential customers within its territorial jurisdiction **【;】**.

34 "Government energy aggregation program" means a program and
35 procedure pursuant to which a government aggregator enters into a
36 written contract for the provision of electric generation service or
37 gas supply service on behalf of business or residential customers
38 within its territorial jurisdiction **【;】**.

39 "Governmental entity" means any federal, state, municipal, local,
40 or other governmental department, commission, board, agency,
41 court, authority, or instrumentality having competent jurisdiction
42 **【;】**.

43 "Greenhouse gas emissions portfolio standard" means a
44 requirement that addresses or limits the amount of carbon dioxide
45 emissions indirectly resulting from the use of electricity as applied
46 to any electric power suppliers and basic generation service
47 providers of electricity **【;】**.

1 "Historic fill" means generally large volumes of non-indigenous
2 material, no matter what date they were emplaced on the site, used
3 to raise the topographic elevation of a site, which were
4 contaminated prior to emplacement and are in no way connected
5 with the operations at the location of emplacement and which
6 include, but are not limited to, construction debris, dredge spoils,
7 incinerator residue, demolition debris, fly ash, and non-hazardous
8 solid waste. "Historic fill" shall not include any material which is
9 substantially chromate chemical production waste or any other
10 chemical production waste or waste from processing of metal or
11 mineral ores, residues, slags, or tailings [;].

12 "Incremental auction" means an auction conducted by PJM, as
13 part of PJM's reliability pricing model, prior to the start of the
14 delivery year to secure electric capacity as necessary to satisfy the
15 capacity requirements for that delivery year, that is not otherwise
16 provided for in the base residual auction [;].

17 "Leakage" means an increase in greenhouse gas emissions
18 related to generation sources located outside of the State that are not
19 subject to a state, interstate, or regional greenhouse gas emissions
20 cap or standard that applies to generation sources located within the
21 State [;].

22 "Locational deliverability area" or "LDA" means one or more of
23 the zones within the PJM region which are used to evaluate area
24 transmission constraints and reliability issues including electric
25 public utility company zones, sub-zones, and combinations of zones
26 [;].

27 "Long-term capacity agreement pilot program" or "LCAPP"
28 means a pilot program established by the board that includes
29 participation by eligible generators, to seek offers for financially-
30 settled standard offer capacity agreements with eligible generators
31 pursuant to the provisions of P.L.2011, c.9 (C.48:3-98.2 et al.) [;].

32 "Market transition charge" means a charge imposed pursuant to
33 section 13 of P.L.1999, c.23 (C.48:3-61) by an electric public
34 utility, at a level determined by the board, on the electric public
35 utility customers for a limited duration transition period to recover
36 stranded costs created as a result of the introduction of electric
37 power supply competition pursuant to the provisions of P.L.1999,
38 c.23 (C.48:3-49 et al.) [;].

39 "Marketer" means a duly licensed electric power supplier that
40 takes title to electric energy and capacity, transmission and other
41 services from electric power generators and other wholesale
42 suppliers and then assumes the contractual and legal obligation to
43 provide electric generation service, and may include transmission
44 and other services, to an end-use retail customer or customers, or a
45 duly licensed gas supplier that takes title to gas and then assumes
46 the contractual and legal obligation to provide gas supply service to
47 an end-use customer or customers [;].

1 "Mid-merit electric power generation facility" means a
2 generation facility that operates at a capacity factor between
3 baseload generation facilities and peaker generation facilities [;].

4 "Net metering aggregation" means a procedure for calculating
5 the combination of the annual energy usage for all facilities owned
6 by a single customer where such customer is a State entity, school
7 district, county, county agency, county authority, municipality,
8 municipal agency, or municipal authority, and which are served by
9 a solar electric power generating facility as provided pursuant to
10 paragraph (4) of subsection e. of section 38 of P.L.1999, c.23
11 (C.48:3-87) [;].

12 "Net proceeds" means proceeds less transaction and other related
13 costs as determined by the board [;].

14 "Net revenues" means revenues less related expenses, including
15 applicable taxes, as determined by the board [;].

16 "Offshore wind energy" means electric energy produced by a
17 qualified offshore wind project [;].

18 "Offshore wind renewable energy certificate" or "OREC" means
19 a certificate, issued by the board or its designee, representing the
20 environmental attributes of one megawatt hour of electric
21 generation from a qualified offshore wind project [;].

22 "Off-site end use thermal energy services customer" means an
23 end use customer that purchases thermal energy services from an
24 on-site generation facility, combined heat and power facility, or co-
25 generation facility, and that is located on property that is separated
26 from the property on which the on-site generation facility,
27 combined heat and power facility, or co-generation facility is
28 located by more than one easement, public thoroughfare, or
29 transportation or utility-owned right-of-way [;].

30 "On-site generation facility" means a generation facility,
31 including, but not limited to, a generation facility that produces
32 Class I or Class II renewable energy, and equipment and services
33 appurtenant to electric sales by such facility to the end use customer
34 located on the property or on property contiguous to the property on
35 which the end user is located. An on-site generation facility shall
36 not be considered a public utility. The property of the end use
37 customer and the property on which the on-site generation facility is
38 located shall be considered contiguous if they are geographically
39 located next to each other, but may be otherwise separated by an
40 easement, public thoroughfare, transportation or utility-owned
41 right-of-way, or if the end use customer is purchasing thermal
42 energy services produced by the on-site generation facility, for use
43 for heating or cooling, or both, regardless of whether the customer
44 is located on property that is separated from the property on which
45 the on-site generation facility is located by more than one easement,
46 public thoroughfare, or transportation or utility-owned right-of-way
47 [;].

1 "Person" means an individual, partnership, corporation,
2 association, trust, limited liability company, governmental entity, or
3 other legal entity [;].

4 "PJM Interconnection, L.L.C." or "PJM" means the privately-
5 held, limited liability corporation that is a FERC-approved Regional
6 Transmission Organization, or its successor, that manages the
7 regional, high-voltage electricity grid serving all or parts of 13
8 states including New Jersey and the District of Columbia, operates
9 the regional competitive wholesale electric market, manages the
10 regional transmission planning process, and establishes systems and
11 rules to ensure that the regional and in-State energy markets operate
12 fairly and efficiently [;].

13 "Preliminary assessment" shall have the same meaning as
14 provided in section 3 of P.L.1976, c.141 (C.58:10-23.11b) [;].

15 "Private aggregator" means a non-government aggregator that is
16 a duly-organized business or non-profit organization authorized to
17 do business in this State that enters into a contract with a duly
18 licensed electric power supplier for the purchase of electric energy
19 and capacity, or with a duly licensed gas supplier for the purchase
20 of gas supply service, on behalf of multiple end-use customers by
21 combining the loads of those customers [;].

22 "Properly closed sanitary landfill facility" means a sanitary
23 landfill facility, or a portion of a sanitary landfill facility, for which
24 performance is complete with respect to all activities associated
25 with the design, installation, purchase, or construction of all
26 measures, structures, or equipment required by the Department of
27 Environmental Protection, pursuant to law, in order to prevent,
28 minimize, or monitor pollution or health hazards resulting from a
29 sanitary landfill facility subsequent to the termination of operations
30 at any portion thereof, including, but not necessarily limited to, the
31 placement of earthen or vegetative cover, and the installation of
32 methane gas vents or monitors and leachate monitoring wells or
33 collection systems at the site of any sanitary landfill facility [;].

34 "Public utility holding company" means: (1) any company that,
35 directly or indirectly, owns, controls, or holds with power to vote,
36 [ten] 10 percent or more of the outstanding voting securities of an
37 electric public utility or a gas public utility or of a company which
38 is a public utility holding company by virtue of this definition,
39 unless the Securities and Exchange Commission, or its successor,
40 by order declares such company not to be a public utility holding
41 company under the Public Utility Holding Company Act of 1935,
42 15 U.S.C. s.79 et seq., or its successor; or (2) any person that the
43 Securities and Exchange Commission, or its successor, determines,
44 after notice and opportunity for hearing, directly or indirectly, to
45 exercise, either alone or pursuant to an arrangement or
46 understanding with one or more other persons, such a controlling
47 influence over the management or policies of an electric public

1 utility or a gas public utility or public utility holding company as to
2 make it necessary or appropriate in the public interest or for the
3 protection of investors or consumers that such person be subject to
4 the obligations, duties, and liabilities imposed in the Public Utility
5 Holding Company Act of 1935, 15 U.S.C. s.79 et seq., or its
6 successor **【;】** act.

7 "Qualified offshore wind project" means a wind turbine
8 electricity generation facility in the Atlantic Ocean and connected
9 to the electric transmission system in this State, and includes the
10 associated transmission-related interconnection facilities and
11 equipment, and approved by the board pursuant to section 3 of
12 P.L.2010, c.57 (C.48:3-87.1) **【;】**.

13 "Registration program" means an administrative process
14 developed by the board pursuant to subsection u. of section 38 of
15 P.L.1999, c.23 (C.48:3-87) that requires all owners of solar electric
16 power generation facilities connected to the distribution system that
17 intend to generate SRECs, to file with the board documents
18 detailing the size, location, interconnection plan, land use, and other
19 project information as required by the board **【;】**.

20 "Regulatory asset" means an asset recorded on the books of an
21 electric public utility or gas public utility pursuant to the Statement
22 of Financial Accounting Standards, No. 71, entitled "Accounting for
23 the Effects of Certain Types of Regulation," or any successor
24 standard and as deemed recoverable by the board **【;】**.

25 "Related competitive business segment of an electric public
26 utility or gas public utility" means any business venture of an
27 electric public utility or gas public utility including, but not limited
28 to, functionally separate business units, joint ventures, and
29 partnerships, that offers to provide or provides competitive services
30 **【;】**.

31 "Related competitive business segment of a public utility holding
32 company" means any business venture of a public utility holding
33 company, including, but not limited to, functionally separate
34 business units, joint ventures, and partnerships and subsidiaries, that
35 offers to provide or provides competitive services, but does not
36 include any related competitive business segments of an electric
37 public utility or gas public utility **【;】**.

38 "Reliability pricing model" or "RPM" means PJM's capacity-
39 market model, and its successors, that secures capacity on behalf of
40 electric load serving entities to satisfy load obligations not satisfied
41 through the output of electric generation facilities owned by those
42 entities, or otherwise secured by those entities through bilateral
43 contracts **【;】**.

44 "Renewable energy certificate" or "REC" means a certificate
45 representing the environmental benefits or attributes of one
46 megawatt-hour of generation from a generating facility that
47 produces Class I or Class II renewable energy, but shall not include

1 a solar renewable energy certificate or an offshore wind renewable
2 energy certificate [;].

3 "Resource clearing price" or "RCP" means the clearing price
4 established for the applicable locational deliverability area by the
5 base residual auction or incremental auction, as determined by the
6 optimization algorithm for each auction, conducted by PJM as part
7 of PJM's reliability pricing model [;].

8 "Resource recovery facility" means a solid waste facility
9 constructed and operated for the incineration of solid waste for
10 energy production and the recovery of metals and other materials
11 for reuse, which the Department of Environmental Protection has
12 determined to be in compliance with current environmental
13 standards, including, but not limited to, all applicable requirements
14 of the federal "Clean Air Act" (42 U.S.C. s.7401 et seq.) [;].

15 "Restructuring related costs" means reasonably incurred costs
16 directly related to the restructuring of the electric power industry,
17 including the closure, sale, functional separation, and divestiture of
18 generation and other competitive utility assets by a public utility, or
19 the provision of competitive services as [such] those costs are
20 determined by the board, and which are not stranded costs as
21 defined in P.L.1999, c.23 (C.48:3-49 et al.) but may include, but not
22 be limited to, investments in management information systems, and
23 which shall include expenses related to employees affected by
24 restructuring which result in efficiencies and which result in
25 benefits to ratepayers, such as training or retraining at the level
26 equivalent to one year's training at a vocational or technical school
27 or county community college, the provision of severance pay of two
28 weeks of base pay for each year of full-time employment, and a
29 maximum of 24 months' continued health care coverage. Except as
30 to expenses related to employees affected by restructuring,
31 "restructuring related costs" shall not include going forward costs
32 [;].

33 "Retail choice" means the ability of retail customers to shop for
34 electric generation or gas supply service from electric power or gas
35 suppliers, or opt to receive basic generation service or basic gas
36 service, and the ability of an electric power or gas supplier to offer
37 electric generation service or gas supply service to retail customers,
38 consistent with the provisions of P.L.1999, c.23 (C.48:3-49 et al.)
39 [;].

40 "Retail margin" means an amount, reflecting differences in
41 prices that electric power suppliers and electric public utilities may
42 charge in providing electric generation service and basic generation
43 service, respectively, to retail customers, excluding residential
44 customers, which the board may authorize to be charged to
45 categories of basic generation service customers of electric public
46 utilities in this State, other than residential customers, under the
47 board's continuing regulation of basic generation service pursuant to

1 sections 3 and 9 of P.L.1999, c.23 (C.48:3-51 and 48:3-57), for the
2 purpose of promoting a competitive retail market for the supply of
3 electricity **【;】**.

4 "Sales representative" means a person employed by, acting on
5 behalf of, or as an independent contractor for, an electric power
6 supplier, gas supplier, broker, energy agent, marketer, or private
7 aggregator who, by any means, solicits a potential residential
8 customer for the provision of electric generation service or gas
9 supply service **【;】**.

10 "Sanitary landfill facility" shall have the same meaning as
11 provided in section 3 of P.L.1970, c.39 (C.13:1E-3) **【;】**.

12 "School district" means a local or regional school district
13 established pursuant to chapter 8 or chapter 13 of Title 18A of the
14 New Jersey Statutes, a county special services school district
15 established pursuant to article 8 of chapter 46 of Title 18A of the
16 New Jersey Statutes, a county vocational school district established
17 pursuant to article 3 of chapter 54 of Title 18A of the New Jersey
18 Statutes, and a district under full State intervention pursuant to
19 P.L.1987, c.399 (C.18A:7A-34 et al.) **【;】**.

20 "Shopping credit" means an amount deducted from the bill of an
21 electric public utility customer to reflect the fact that **【such】** the
22 customer has switched to an electric power supplier and no longer
23 takes basic generation service from the electric public utility **【;】**.

24 "Site investigation" shall have the same meaning as provided in
25 section 3 of P.L.1976, c.141 (C.58:10-23.11b) **【;】**.

26 "Small scale hydropower facility" means a facility located within
27 this State that is connected to the distribution system, and that
28 meets the requirements of, and has been certified by, a nationally
29 recognized low-impact hydropower organization that has
30 established low-impact hydropower certification criteria applicable
31 to: (1) river flows; (2) water quality; (3) fish passage and
32 protection; (4) watershed protection; (5) threatened and endangered
33 species protection; (6) cultural resource protection; (7) recreation;
34 and (8) facilities recommended for removal **【;】**.

35 "Social program" means a program implemented with board
36 approval to provide assistance to a group of disadvantaged
37 customers, to provide protection to consumers, or to accomplish a
38 particular societal goal, and includes, but is not limited to, the
39 winter moratorium program, utility practices concerning "bad debt"
40 customers, low income assistance, deferred payment plans,
41 weatherization programs, and late payment and deposit policies, but
42 does not include any demand side management program or any
43 environmental requirements or controls **【;】**.

44 "Societal benefits charge" means a charge imposed by an electric
45 public utility, at a level determined by the board, pursuant to, and in
46 accordance with, section 12 of P.L.1999, c.23 (C.48:3-60) **【;】**.

1 "Solar alternative compliance payment" or "SACP" means a
2 payment of a certain dollar amount per megawatt hour (MWh)
3 which an electric power supplier or provider may submit to the
4 board in order to comply with the solar electric generation
5 requirements under section 38 of P.L.1999, c.23 (C.48:3-87) **【;】**.

6 "Solar renewable energy certificate" or "SREC" means a
7 certificate issued by the board or its designee, representing one
8 megawatt hour (MWh) of solar energy that is generated by a facility
9 connected to the distribution system in this State and has value
10 based upon, and driven by, the energy market **【;】**.

11 "Standard offer capacity agreement" or "SOCA" means a
12 financially-settled transaction agreement, approved by board order,
13 that provides for eligible generators to receive payments from the
14 electric public utilities for a defined amount of electric capacity for
15 a term to be determined by the board but not to exceed 15 years,
16 and for such payments to be a fully non-bypassable charge, with
17 such an order, once issued, being irrevocable **【;】**.

18 "Standard offer capacity price" or "SOCP" means the capacity
19 price that is fixed for the term of the SOCA and which is the price
20 to be received by eligible generators under a board-approved SOCA
21 **【;】**.

22 "State entity" means a department, agency, or office of State
23 government, a State university or college, or an authority created by
24 the State **【;】**.

25 "Stranded cost" means the amount by which the net cost of an
26 electric public utility's electric generating assets or electric power
27 purchase commitments, as determined by the board consistent with
28 the provisions of P.L.1999, c.23 (C.48:3-49 et al.), exceeds the
29 market value of those assets or contractual commitments in a
30 competitive supply marketplace and the costs of buydowns or
31 buyouts of power purchase contracts **【;】**.

32 "Stranded costs recovery order" means each order issued by the
33 board in accordance with subsection c. of section 13 of P.L.1999,
34 c.23 (C.48:3-61) which sets forth the amount of stranded costs, if
35 any, the board has determined an electric public utility is eligible to
36 recover and collect in accordance with the standards set forth in
37 section 13 of P.L.1999, c.23 (C.48:3-61) and the recovery
38 mechanisms therefor **【;】**.

39 "Telemarketer" shall have the same meaning as set forth in
40 section 2 of P.L.2003, c.76 (C.56:8-120) **【;】**.

41 "Telemarketing sales call" means a telephone call made by a
42 telemarketer to a potential residential customer as part of a plan,
43 program, or campaign to encourage the customer to change the
44 customer's electric power supplier or gas supplier. A telephone call
45 made to an existing customer of an electric power supplier, gas
46 supplier, broker, energy agent, marketer, private aggregator, or
47 sales representative, for the sole purpose of collecting on accounts

1 or following up on contractual obligations, shall not be deemed a
2 telemarketing sales call. A telephone call made in response to an
3 express written request of a customer shall not be deemed a
4 telemarketing sales call **【;】**.

5 "Thermal efficiency" means the useful electric energy output of a
6 facility, plus the useful thermal energy output of the facility,
7 expressed as a percentage of the total energy input to the facility
8 **【;】**.

9 "Transition bond charge" means a charge, expressed as an
10 amount per kilowatt hour, that is authorized by and imposed on
11 electric public utility ratepayers pursuant to a bondable stranded
12 costs rate order, as modified at any time pursuant to the provisions
13 of P.L.1999, c.23 (C.48:3-49 et al.) **【;】**.

14 "Transition bonds" means bonds, notes, certificates of
15 participation **【or】**, beneficial interest, or other evidences of
16 indebtedness or ownership issued pursuant to an indenture, contract,
17 or other agreement of an electric public utility or a financing entity,
18 the proceeds of which are used, directly or indirectly, to recover,
19 finance or refinance bondable stranded costs and which are, directly
20 or indirectly, secured by or payable from bondable transition
21 property. References in P.L.1999, c.23 (C.48:3-49 et al.) to
22 principal, interest, and acquisition or redemption premium with
23 respect to transition bonds which are issued in the form of
24 certificates of participation or beneficial interest or other evidences
25 of ownership shall refer to the comparable payments on such
26 securities **【;】**.

27 "Transition period" means the period from August 1, 1999
28 through July 31, 2003 **【;】**.

29 "Transmission and distribution system" means, with respect to an
30 electric public utility, any facility or equipment that is used for the
31 transmission, distribution, or delivery of electricity to the customers
32 of the electric public utility including, but not limited to, the land,
33 structures, meters, lines, switches, and all other appurtenances
34 thereof and thereto, owned or controlled by the electric public
35 utility within this State **【;】**.

36 "Universal service" means any service approved by the board
37 with the purpose of assisting low-income residential customers in
38 obtaining or retaining electric generation or delivery service **【; and】**

39 .

40 "Unsolicited advertisement" means any advertising claims of the
41 commercial availability or quality of services provided by an
42 electric power supplier, gas supplier, broker, energy agent,
43 marketer, private aggregator, sales representative, or telemarketer
44 which is transmitted to a potential customer without that customer's
45 prior express invitation or permission.

46 (cf: P.L.2013, c.263, s.1)

1 2. This act shall take effect immediately.

2

3

4

STATEMENT

5

6 This bill amends the definition of “Class II renewable energy” in
7 the "Electric Discount and Energy Competition Act." Under current
8 law, “Class II renewable energy” includes hydropower facilities
9 with a capacity of greater than three megawatts. These amendments
10 clarify that “Class II renewable energy” is to include hydropower
11 facilities with a capacity of greater than three megawatts but less
12 than 30 megawatts. Class II renewable energy is not to include
13 electric energy produced at a hydropower facility with a capacity of
14 greater than 30 megawatts on or after the effective date of this bill.

ASSEMBLY TELECOMMUNICATIONS AND UTILITIES
COMMITTEE

STATEMENT TO

ASSEMBLY, No. 3455

STATE OF NEW JERSEY

DATED: FEBRUARY 5, 2015

The Assembly Telecommunications and Utilities Committee reports favorably Assembly Bill No. 3455.

This bill amends the definition of "Class II renewable energy" in the "Electric Discount and Energy Competition Act." Under current law, "Class II renewable energy" includes hydropower facilities with a capacity of greater than three megawatts. This bill clarifies that "Class II renewable energy" is to include hydropower facilities with a capacity of greater than three megawatts but less than 30 megawatts. Class II renewable energy is not to include electric energy produced at a hydropower facility with a capacity of greater than 30 megawatts on or after the effective date of this bill.

SENATE ENVIRONMENT AND ENERGY COMMITTEE

STATEMENT TO

ASSEMBLY, No. 3455

STATE OF NEW JERSEY

DATED: MARCH 9, 2015

The Senate Environment and Energy Committee favorably reports Assembly Bill No. 3455.

This bill amends the definition of "Class II renewable energy" in the "Electric Discount and Energy Competition Act." Under current law, "Class II renewable energy" includes hydropower facilities with a capacity of greater than three megawatts. This bill clarifies that "Class II renewable energy" is to include hydropower facilities with a capacity of greater than three megawatts but less than 30 megawatts. Class II renewable energy is not to include electric energy produced at a hydropower facility with a capacity of greater than 30 megawatts on or after the effective date of this bill.

This bill is identical to Senate Bill No. 2282 which was also reported by the committee.

SENATE, No. 2282

STATE OF NEW JERSEY
216th LEGISLATURE

INTRODUCED JUNE 30, 2014

Sponsored by:

Senator BOB SMITH

District 17 (Middlesex and Somerset)

Senator CHRISTOPHER "KIP" BATEMAN

District 16 (Hunterdon, Mercer, Middlesex and Somerset)

Co-Sponsored by:

Senators Cruz-Perez and Oroho

SYNOPSIS

Amends definition of "Class II renewable energy."

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 3/17/2015)

1 AN ACT concerning the definition of "Class II renewable energy,"
2 and amending P.L.1999, c.23.

3

4 **BE IT ENACTED** by the Senate and General Assembly of the State
5 of New Jersey:

6

7 1. Section 3 of P.L.1999, c.23 (C.48:3-51) is amended to read
8 as follows:

9 3. As used in P.L.1999, c.23 (C.48:3-49 et al.):

10 "Assignee" means a person to which an electric public utility or
11 another assignee assigns, sells, or transfers, other than as security,
12 all or a portion of its right to or interest in bondable transition
13 property. Except as specifically provided in P.L.1999, c.23
14 (C.48:3-49 et al.), an assignee shall not be subject to the public
15 utility requirements of Title 48 or any rules or regulations adopted
16 pursuant thereto **;**.

17 "Base load electric power generation facility" means an electric
18 power generation facility intended to be operated at a greater than
19 50 percent capacity factor including, but not limited to, a combined
20 cycle power facility and a combined heat and power facility **;**.

21 "Base residual auction" means the auction conducted by PJM, as
22 part of PJM's reliability pricing model, three years prior to the start
23 of the delivery year to secure electrical capacity as necessary to
24 satisfy the capacity requirements for that delivery year **;**.

25 "Basic gas supply service" means gas supply service that is
26 provided to any customer that has not chosen an alternative gas
27 supplier, whether or not the customer has received offers as to
28 competitive supply options, including, but not limited to, any
29 customer that cannot obtain such service for any reason, including
30 non-payment for services. Basic gas supply service is not a
31 competitive service and shall be fully regulated by the board **;**.

32 "Basic generation service" or "BGS" means electric generation
33 service that is provided, to any customer that has not chosen an
34 alternative electric power supplier, whether or not the customer has
35 received offers for competitive supply options, including, but not
36 limited to, any customer that cannot obtain such service from an
37 electric power supplier for any reason, including non-payment for
38 services. Basic generation service is not a competitive service and
39 shall be fully regulated by the board **;**.

40 "Basic generation service provider" or "provider" means a
41 provider of basic generation service **;**.

42 "Basic generation service transition costs" means the amount by
43 which the payments by an electric public utility for the procurement
44 of power for basic generation service and related ancillary and
45 administrative costs exceeds the net revenues from the basic

EXPLANATION – Matter enclosed in bold-faced brackets **[thus]** in the above bill is not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

1 generation service charge established by the board pursuant to
2 section 9 of P.L.1999, c.23 (C.48:3-57) during the transition period,
3 together with interest on the balance at the board-approved rate, that
4 is reflected in a deferred balance account approved by the board in
5 an order addressing the electric public utility's unbundled rates,
6 stranded costs, and restructuring filings pursuant to P.L.1999, c.23
7 (C.48:3-49 et al.). Basic generation service transition costs shall
8 include, but are not limited to, costs of purchases from the spot
9 market, bilateral contracts, contracts with non-utility generators,
10 parting contracts with the purchaser of the electric public utility's
11 divested generation assets, short-term advance purchases, and
12 financial instruments such as hedging, forward contracts, and
13 options. Basic generation service transition costs shall also include
14 the payments by an electric public utility pursuant to a competitive
15 procurement process for basic generation service supply during the
16 transition period, and costs of any such process used to procure the
17 basic generation service supply **【;】**.

18 "Board" means the New Jersey Board of Public Utilities or any
19 successor agency **【;】**.

20 "Bondable stranded costs" means any stranded costs or basic
21 generation service transition costs of an electric public utility
22 approved by the board for recovery pursuant to the provisions of
23 P.L.1999, c.23 (C.48:3-49 et al.), together with, as approved by the
24 board: (1) the cost of retiring existing debt or equity capital of the
25 electric public utility, including accrued interest, premium and other
26 fees, costs, and charges relating thereto, with the proceeds of the
27 financing of bondable transition property; (2) if requested by an
28 electric public utility in its application for a bondable stranded costs
29 rate order, federal, State and local tax liabilities associated with
30 stranded costs recovery **【or】**, basic generation service transition
31 cost recovery, or the transfer or financing of **【such】** the property, or
32 both, including taxes, whose recovery period is modified by the
33 effect of a stranded costs recovery order, a bondable stranded costs
34 rate order, or both; and (3) the costs incurred to issue, service or
35 refinance transition bonds, including interest, acquisition or
36 redemption premium, and other financing costs, whether paid upon
37 issuance or over the life of the transition bonds, including, but not
38 limited to, credit enhancements, service charges,
39 overcollateralization, interest rate cap, swap or collar, yield
40 maintenance, maturity guarantee or other hedging agreements,
41 equity investments, operating costs, and other related fees, costs,
42 and charges, or to assign, sell, or otherwise transfer bondable
43 transition property **【;】**.

44 "Bondable stranded costs rate order" means one or more
45 irrevocable written orders issued by the board pursuant to P.L.1999,
46 c.23 (C.48:3-49 et al.) which determines the amount of bondable
47 stranded costs and the initial amount of transition bond charges

1 authorized to be imposed to recover **【such】** the bondable stranded
2 costs, including the costs to be financed from the proceeds of the
3 transition bonds, as well as on-going costs associated with servicing
4 and credit enhancing the transition bonds, and provides the electric
5 public utility specific authority to issue or cause to be issued,
6 directly or indirectly, transition bonds through a financing entity
7 and related matters as provided in P.L.1999, c.23 (C.48:3-49 et al.),
8 which order shall become effective immediately upon the written
9 consent of the related electric public utility to **【such】** the order as
10 provided in P.L.1999, c.23 (C.48:3-49 et al.) **【;】**.

11 "Bondable transition property" means the property consisting of
12 the irrevocable right to charge, collect, and receive, and be paid
13 from collections of, transition bond charges in the amount necessary
14 to provide for the full recovery of bondable stranded costs which
15 are determined to be recoverable in a bondable stranded costs rate
16 order, all rights of the related electric public utility under **【such】**
17 the bondable stranded costs rate order including, without limitation,
18 all rights to obtain periodic adjustments of the related transition
19 bond charges pursuant to subsection b. of section 15 of P.L.1999,
20 c.23 (C.48:3-64), and all revenues, collections, payments, money,
21 and proceeds arising under, or with respect to, all of the foregoing
22 **【;】**.

23 "British thermal unit" or "Btu" means the amount of heat
24 required to increase the temperature of one pound of water by one
25 degree Fahrenheit **【;】**.

26 "Broker" means a duly licensed electric power supplier that
27 assumes the contractual and legal responsibility for the sale of
28 electric generation service, transmission, or other services to end-
29 use retail customers, but does not take title to any of the power sold,
30 or a duly licensed gas supplier that assumes the contractual and
31 legal obligation to provide gas supply service to end-use retail
32 customers, but does not take title to the gas **【;】**.

33 "Brownfield" means any former or current commercial or
34 industrial site that is currently vacant or underutilized and on which
35 there has been, or there is suspected to have been, a discharge of a
36 contaminant **【;】**.

37 "Buydown" means an arrangement or arrangements involving the
38 buyer and seller in a given power purchase contract and, in some
39 cases third parties, for consideration to be given by the buyer in
40 order to effectuate a reduction in the pricing, or the restructuring of
41 other terms to reduce the overall cost of the power contract, for the
42 remaining succeeding period of the purchased power arrangement
43 or arrangements **【;】**.

44 "Buyout" means an arrangement or arrangements involving the
45 buyer and seller in a given power purchase contract and, in some
46 cases third parties, for consideration to be given by the buyer in

1 order to effectuate a termination of such power purchase contract
2 **【;】**.

3 "Class I renewable energy" means electric energy produced from
4 solar technologies, photovoltaic technologies, wind energy, fuel
5 cells, geothermal technologies, wave or tidal action, small scale
6 hydropower facilities with a capacity of three megawatts or less and
7 put into service after the effective date of P.L.2012, c.24, and
8 methane gas from landfills or a biomass facility, provided that the
9 biomass is cultivated and harvested in a sustainable manner **【;】**.

10 "Class II renewable energy" means electric energy produced at a
11 hydropower facility with a capacity of greater than three megawatts
12 , but less than 30 megawatts, or a resource recovery facility,
13 provided that **【such】** the facility is located where retail competition
14 is permitted and provided further that the Commissioner of
15 Environmental Protection has determined that **【such】** the facility
16 meets the highest environmental standards and minimizes any
17 impacts to the environment and local communities **【;】**. Class II
18 renewable energy shall not include electric energy produced at a
19 hydropower facility with a capacity of greater than 30 megawatts on
20 or after the effective date of P.L. _____, c. _____ (C. _____) (pending
21 before the Legislature as this bill).

22 "Co-generation" means the sequential production of electricity
23 and steam or other forms of useful energy used for industrial or
24 commercial heating and cooling purposes **【;】**.

25 "Combined cycle power facility" means a generation facility that
26 combines two or more thermodynamic cycles, by producing electric
27 power via the combustion of fuel and then routing the resulting
28 waste heat by-product to a conventional boiler or to a heat recovery
29 steam generator for use by a steam turbine to produce electric
30 power, thereby increasing the overall efficiency of the generating
31 facility **【;】**.

32 "Combined heat and power facility" or "co-generation facility"
33 means a generation facility which produces electric energy and
34 steam or other forms of useful energy such as heat, which are used
35 for industrial or commercial heating or cooling purposes. A
36 combined heat and power facility or co-generation facility shall not
37 be considered a public utility **【;】**.

38 "Competitive service" means any service offered by an electric
39 public utility or a gas public utility that the board determines to be
40 competitive pursuant to section 8 or section 10 of P.L.1999, c.23
41 (C.48:3-56 or C.48:3-58) or that is not regulated by the board **【;】**.

42 "Commercial and industrial energy pricing class customer" or
43 "CIEP class customer" means that group of non-residential
44 customers with high peak demand, as determined by periodic board
45 order, which either is eligible or which would be eligible, as
46 determined by periodic board order, to receive funds from the Retail
47 Margin Fund established pursuant to section 9 of P.L.1999, c.23

1 (C.48:3-57) and for which basic generation service is hourly-priced
2 **【;】**.

3 "Comprehensive resource analysis" means an analysis including,
4 but not limited to, an assessment of existing market barriers to the
5 implementation of energy efficiency and renewable technologies
6 that are not or cannot be delivered to customers through a
7 competitive marketplace **【;】**.

8 "Connected to the distribution system" means, for a solar electric
9 power generation facility, that the facility is: (1) connected to a net
10 metering customer's side of a meter, regardless of the voltage at
11 which that customer connects to the electric grid **【;】**; (2) an on-site
12 generation facility **【;】**; (3) qualified for net metering aggregation as
13 provided pursuant to paragraph (4) of subsection e. of section 38 of
14 P.L.1999, c.23 (C.48:3-87) **【;】**; (4) owned or operated by an electric
15 public utility and approved by the board pursuant to section 13 of
16 P.L.2007, c.340 (C.48:3-98.1) **【;】**; (5) directly connected to the
17 electric grid at **【69kilovolts】** 69 kilovolts or less, regardless of how
18 an electric public utility classifies that portion of its electric grid,
19 and is designated as "connected to the distribution system" by the
20 board pursuant to subsections q. through s. of section 38 of
21 P.L.1999, c.23 (C.48:3-87) **【;】**; or (6) is certified by the board, in
22 consultation with the Department of Environmental Protection, as
23 being located on a brownfield, on an area of historic fill, or on a
24 properly closed sanitary landfill facility. Any solar electric power
25 generation facility, other than that of a net metering customer on the
26 customer's side of the meter, connected above 69 kilovolts shall not
27 be considered connected to the distribution system **【;】**.

28 "Customer" means any person that is an end user and is
29 connected to any part of the transmission and distribution system
30 within an electric public utility's service territory or a gas public
31 utility's service territory within this State **【;】**.

32 "Customer account service" means metering, billing, or such
33 other administrative activity associated with maintaining a customer
34 account **【;】**.

35 "Delivery year" or "DY" means the 12-month period from June
36 1st through May 31st, numbered according to the calendar year in
37 which it ends **【;】**.

38 "Demand side management" means the management of customer
39 demand for energy service through the implementation of cost-
40 effective energy efficiency technologies, including, but not limited
41 to, installed conservation, load management, and energy efficiency
42 measures on and in the residential, commercial, industrial,
43 institutional, and governmental premises and facilities in this State
44 **【;】**.

45 "Electric generation service" means the provision of retail
46 electric energy and capacity which is generated off-site from the
47 location at which the consumption of such electric energy and

1 capacity is metered for retail billing purposes, including agreements
2 and arrangements related thereto **【;】**.

3 "Electric power generator" means an entity that proposes to
4 construct, own, lease, or operate, or currently owns, leases, or
5 operates, an electric power production facility that will sell or does
6 sell at least 90 percent of its output, either directly or through a
7 marketer, to a customer or customers located at sites that are not on
8 or contiguous to the site on which the facility will be located or is
9 located. The designation of an entity as an electric power generator
10 for the purposes of P.L.1999, c.23 (C.48:3-49 et al.) shall not, in
11 and of itself, affect the entity's status as an exempt wholesale
12 generator under the Public Utility Holding Company Act of 1935,
13 15 U.S.C. s.79 et seq., or its successor **【;】** act.

14 "Electric power supplier" means a person or entity that is duly
15 licensed pursuant to the provisions of P.L.1999, c.23 (C.48:3-49 et
16 al.) to offer and to assume the contractual and legal responsibility to
17 provide electric generation service to retail customers, and includes
18 load serving entities, marketers, and brokers that offer or provide
19 electric generation service to retail customers. The term excludes an
20 electric public utility that provides electric generation service only
21 as a basic generation service pursuant to section 9 of P.L.1999, c.23
22 (C.48:3-57) **【;】**.

23 "Electric public utility" means a public utility, as that term is
24 defined in R.S.48:2-13, that transmits and distributes electricity to
25 end users within this State **【;】**.

26 "Electric related service" means a service that is directly related
27 to the consumption of electricity by an end user, including, but not
28 limited to, the installation of demand side management measures at
29 the end user's premises, the maintenance, repair, or replacement of
30 appliances, lighting, motors, or other energy-consuming devices at
31 the end user's premises, and the provision of energy consumption
32 measurement and billing services **【;】**.

33 "Electronic signature" means an electronic sound, symbol, or
34 process, attached to, or logically associated with, a contract or other
35 record, and executed or adopted by a person with the intent to sign
36 the record **【;】**.

37 "Eligible generator" means a developer of a base load or mid-
38 merit electric power generation facility including, but not limited to,
39 an on-site generation facility that qualifies as a capacity resource
40 under PJM criteria and that commences construction after the
41 effective date of P.L.2011, c.9 (C.48:3-98.2 et al.) **【;】**.

42 "Energy agent" means a person that is duly registered pursuant to
43 the provisions of P.L.1999, c.23 (C.48:3-49 et al.), that arranges the
44 sale of retail electricity or electric related services, or retail gas
45 supply or gas related services, between government aggregators or
46 private aggregators and electric power suppliers or gas suppliers,
47 but does not take title to the electric or gas sold **【;】**.

1 "Energy consumer" means a business or residential consumer of
2 electric generation service or gas supply service located within the
3 territorial jurisdiction of a government aggregator **[:]**.

4 "Energy efficiency portfolio standard" means a requirement to
5 procure a specified amount of energy efficiency or demand side
6 management resources as a means of managing and reducing energy
7 usage and demand by customers **[:]**.

8 "Energy year" or "EY" means the 12-month period from June 1st
9 through May 31st, numbered according to the calendar year in
10 which it ends **[:]**.

11 "Existing business relationship" means a relationship formed by
12 a voluntary two-way communication between an electric power
13 supplier, gas supplier, broker, energy agent, marketer, private
14 aggregator, sales representative, or telemarketer and a customer,
15 regardless of an exchange of consideration, on the basis of an
16 inquiry, application, purchase, or transaction initiated by the
17 customer regarding products or services offered by the electric
18 power supplier, gas supplier, broker, energy agent, marketer,
19 private aggregator, sales representative, or telemarketer; however, a
20 consumer's use of electric generation service or gas supply service
21 through the consumer's electric public utility or gas public utility
22 shall not constitute or establish an existing business relationship for
23 the purpose of P.L.2013, c.263 **[:]**.

24 "Farmland" means land actively devoted to agricultural or
25 horticultural use that is valued, assessed, and taxed pursuant to the
26 "Farmland Assessment Act of 1964," P.L.1964, c.48 (C.54:4-23.1 et
27 seq.) **[:]**.

28 "Federal Energy Regulatory Commission" or "FERC" means the
29 federal agency established pursuant to 42 U.S.C. s.7171 et seq. to
30 regulate the interstate transmission of electricity, natural gas, and
31 oil **[:]**.

32 "Final remediation document" shall have the same meaning as
33 provided in section 3 of P.L.1976, c.141 (C.58:10-23.11b) **[:]**.

34 "Financing entity" means an electric public utility, a special
35 purpose entity, or any other assignee of bondable transition
36 property, which issues transition bonds. Except as specifically
37 provided in P.L.1999, c.23 (C.48:3-49 et al.), a financing entity
38 which is not itself an electric public utility shall not be subject to
39 the public utility requirements of Title 48 of the Revised Statutes or
40 any rules or regulations adopted pursuant thereto **[:]**.

41 "Gas public utility" means a public utility, as that term is defined
42 in R.S.48:2-13, that distributes gas to end users within this State
43 **[:]**.

44 "Gas related service" means a service that is directly related to
45 the consumption of gas by an end user, including, but not limited to,
46 the installation of demand side management measures at the end
47 user's premises, the maintenance, repair or replacement of

1 appliances or other energy-consuming devices at the end user's
2 premises, and the provision of energy consumption measurement
3 and billing services **【;】**.

4 "Gas supplier" means a person that is duly licensed pursuant to
5 the provisions of P.L.1999, c.23 (C.48:3-49 et al.) to offer and
6 assume the contractual and legal obligation to provide gas supply
7 service to retail customers, and includes, but is not limited to,
8 marketers and brokers. A non-public utility affiliate of a public
9 utility holding company may be a gas supplier, but a gas public
10 utility or any subsidiary of a gas utility is not a gas supplier. In the
11 event that a gas public utility is not part of a holding company legal
12 structure, a related competitive business segment of that gas public
13 utility may be a gas supplier, provided that related competitive
14 business segment is structurally separated from the gas public
15 utility, and provided that the interactions between the gas public
16 utility and the related competitive business segment are subject to
17 the affiliate relations standards adopted by the board pursuant to
18 subsection k. of section 10 of P.L.1999, c.23 (C.48:3-58) **【;】**.

19 "Gas supply service" means the provision to customers of the
20 retail commodity of gas, but does not include any regulated
21 distribution service **【;】**.

22 "Government aggregator" means any government entity subject
23 to the requirements of the "Local Public Contracts Law," P.L.1971,
24 c.198 (C.40A:11-1 et seq.), the "Public School Contracts Law,"
25 N.J.S.18A:18A-1 et seq., or the "County College Contracts Law,"
26 P.L.1982, c.189 (C.18A:64A-25.1 et seq.), that enters into a written
27 contract with a licensed electric power supplier or a licensed gas
28 supplier for: (1) the provision of electric generation service, electric
29 related service, gas supply service, or gas related service for its own
30 use or the use of other government aggregators; or (2) if a
31 municipal or county government, the provision of electric
32 generation service or gas supply service on behalf of business or
33 residential customers within its territorial jurisdiction **【;】**.

34 "Government energy aggregation program" means a program and
35 procedure pursuant to which a government aggregator enters into a
36 written contract for the provision of electric generation service or
37 gas supply service on behalf of business or residential customers
38 within its territorial jurisdiction **【;】**.

39 "Governmental entity" means any federal, state, municipal, local,
40 or other governmental department, commission, board, agency,
41 court, authority, or instrumentality having competent jurisdiction
42 **【;】**.

43 "Greenhouse gas emissions portfolio standard" means a
44 requirement that addresses or limits the amount of carbon dioxide
45 emissions indirectly resulting from the use of electricity as applied
46 to any electric power suppliers and basic generation service
47 providers of electricity **【;】**.

1 "Historic fill" means generally large volumes of non-indigenous
2 material, no matter what date they were emplaced on the site, used
3 to raise the topographic elevation of a site, which were
4 contaminated prior to emplacement and are in no way connected
5 with the operations at the location of emplacement and which
6 include, but are not limited to, construction debris, dredge spoils,
7 incinerator residue, demolition debris, fly ash, and non-hazardous
8 solid waste. "Historic fill" shall not include any material which is
9 substantially chromate chemical production waste or any other
10 chemical production waste or waste from processing of metal or
11 mineral ores, residues, slags, or tailings [;].

12 "Incremental auction" means an auction conducted by PJM, as
13 part of PJM's reliability pricing model, prior to the start of the
14 delivery year to secure electric capacity as necessary to satisfy the
15 capacity requirements for that delivery year, that is not otherwise
16 provided for in the base residual auction [;].

17 "Leakage" means an increase in greenhouse gas emissions
18 related to generation sources located outside of the State that are not
19 subject to a state, interstate, or regional greenhouse gas emissions
20 cap or standard that applies to generation sources located within the
21 State [;].

22 "Locational deliverability area" or "LDA" means one or more of
23 the zones within the PJM region which are used to evaluate area
24 transmission constraints and reliability issues including electric
25 public utility company zones, sub-zones, and combinations of zones
26 [;].

27 "Long-term capacity agreement pilot program" or "LCAPP"
28 means a pilot program established by the board that includes
29 participation by eligible generators, to seek offers for financially-
30 settled standard offer capacity agreements with eligible generators
31 pursuant to the provisions of P.L.2011, c.9 (C.48:3-98.2 et al.) [;].

32 "Market transition charge" means a charge imposed pursuant to
33 section 13 of P.L.1999, c.23 (C.48:3-61) by an electric public
34 utility, at a level determined by the board, on the electric public
35 utility customers for a limited duration transition period to recover
36 stranded costs created as a result of the introduction of electric
37 power supply competition pursuant to the provisions of P.L.1999,
38 c.23 (C.48:3-49 et al.) [;].

39 "Marketer" means a duly licensed electric power supplier that
40 takes title to electric energy and capacity, transmission and other
41 services from electric power generators and other wholesale
42 suppliers and then assumes the contractual and legal obligation to
43 provide electric generation service, and may include transmission
44 and other services, to an end-use retail customer or customers, or a
45 duly licensed gas supplier that takes title to gas and then assumes
46 the contractual and legal obligation to provide gas supply service to
47 an end-use customer or customers [;].

1 "Mid-merit electric power generation facility" means a
2 generation facility that operates at a capacity factor between
3 baseload generation facilities and peaker generation facilities [;].

4 "Net metering aggregation" means a procedure for calculating
5 the combination of the annual energy usage for all facilities owned
6 by a single customer where such customer is a State entity, school
7 district, county, county agency, county authority, municipality,
8 municipal agency, or municipal authority, and which are served by
9 a solar electric power generating facility as provided pursuant to
10 paragraph (4) of subsection e. of section 38 of P.L.1999, c.23
11 (C.48:3-87) [;].

12 "Net proceeds" means proceeds less transaction and other related
13 costs as determined by the board [;].

14 "Net revenues" means revenues less related expenses, including
15 applicable taxes, as determined by the board [;].

16 "Offshore wind energy" means electric energy produced by a
17 qualified offshore wind project [;].

18 "Offshore wind renewable energy certificate" or "OREC" means
19 a certificate, issued by the board or its designee, representing the
20 environmental attributes of one megawatt hour of electric
21 generation from a qualified offshore wind project [;].

22 "Off-site end use thermal energy services customer" means an
23 end use customer that purchases thermal energy services from an
24 on-site generation facility, combined heat and power facility, or co-
25 generation facility, and that is located on property that is separated
26 from the property on which the on-site generation facility,
27 combined heat and power facility, or co-generation facility is
28 located by more than one easement, public thoroughfare, or
29 transportation or utility-owned right-of-way [;].

30 "On-site generation facility" means a generation facility,
31 including, but not limited to, a generation facility that produces
32 Class I or Class II renewable energy, and equipment and services
33 appurtenant to electric sales by such facility to the end use customer
34 located on the property or on property contiguous to the property on
35 which the end user is located. An on-site generation facility shall
36 not be considered a public utility. The property of the end use
37 customer and the property on which the on-site generation facility is
38 located shall be considered contiguous if they are geographically
39 located next to each other, but may be otherwise separated by an
40 easement, public thoroughfare, transportation or utility-owned
41 right-of-way, or if the end use customer is purchasing thermal
42 energy services produced by the on-site generation facility, for use
43 for heating or cooling, or both, regardless of whether the customer
44 is located on property that is separated from the property on which
45 the on-site generation facility is located by more than one easement,
46 public thoroughfare, or transportation or utility-owned right-of-way
47 [;].

1 "Person" means an individual, partnership, corporation,
2 association, trust, limited liability company, governmental entity, or
3 other legal entity [;].

4 "PJM Interconnection, L.L.C." or "PJM" means the privately-
5 held, limited liability corporation that is a FERC-approved Regional
6 Transmission Organization, or its successor, that manages the
7 regional, high-voltage electricity grid serving all or parts of 13
8 states including New Jersey and the District of Columbia, operates
9 the regional competitive wholesale electric market, manages the
10 regional transmission planning process, and establishes systems and
11 rules to ensure that the regional and in-State energy markets operate
12 fairly and efficiently [;].

13 "Preliminary assessment" shall have the same meaning as
14 provided in section 3 of P.L.1976, c.141 (C.58:10-23.11b) [;].

15 "Private aggregator" means a non-government aggregator that is
16 a duly-organized business or non-profit organization authorized to
17 do business in this State that enters into a contract with a duly
18 licensed electric power supplier for the purchase of electric energy
19 and capacity, or with a duly licensed gas supplier for the purchase
20 of gas supply service, on behalf of multiple end-use customers by
21 combining the loads of those customers [;].

22 "Properly closed sanitary landfill facility" means a sanitary
23 landfill facility, or a portion of a sanitary landfill facility, for which
24 performance is complete with respect to all activities associated
25 with the design, installation, purchase, or construction of all
26 measures, structures, or equipment required by the Department of
27 Environmental Protection, pursuant to law, in order to prevent,
28 minimize, or monitor pollution or health hazards resulting from a
29 sanitary landfill facility subsequent to the termination of operations
30 at any portion thereof, including, but not necessarily limited to, the
31 placement of earthen or vegetative cover, and the installation of
32 methane gas vents or monitors and leachate monitoring wells or
33 collection systems at the site of any sanitary landfill facility [;].

34 "Public utility holding company" means: (1) any company that,
35 directly or indirectly, owns, controls, or holds with power to vote,
36 [ten] 10 percent or more of the outstanding voting securities of an
37 electric public utility or a gas public utility or of a company which
38 is a public utility holding company by virtue of this definition,
39 unless the Securities and Exchange Commission, or its successor,
40 by order declares such company not to be a public utility holding
41 company under the Public Utility Holding Company Act of 1935,
42 15 U.S.C. s.79 et seq., or its successor; or (2) any person that the
43 Securities and Exchange Commission, or its successor, determines,
44 after notice and opportunity for hearing, directly or indirectly, to
45 exercise, either alone or pursuant to an arrangement or
46 understanding with one or more other persons, such a controlling
47 influence over the management or policies of an electric public

1 utility or a gas public utility or public utility holding company as to
2 make it necessary or appropriate in the public interest or for the
3 protection of investors or consumers that such person be subject to
4 the obligations, duties, and liabilities imposed in the Public Utility
5 Holding Company Act of 1935, 15 U.S.C. s.79 et seq., or its
6 successor **【;】** act.

7 "Qualified offshore wind project" means a wind turbine
8 electricity generation facility in the Atlantic Ocean and connected
9 to the electric transmission system in this State, and includes the
10 associated transmission-related interconnection facilities and
11 equipment, and approved by the board pursuant to section 3 of
12 P.L.2010, c.57 (C.48:3-87.1) **【;】**.

13 "Registration program" means an administrative process
14 developed by the board pursuant to subsection u. of section 38 of
15 P.L.1999, c.23 (C.48:3-87) that requires all owners of solar electric
16 power generation facilities connected to the distribution system that
17 intend to generate SRECs, to file with the board documents
18 detailing the size, location, interconnection plan, land use, and other
19 project information as required by the board **【;】**.

20 "Regulatory asset" means an asset recorded on the books of an
21 electric public utility or gas public utility pursuant to the Statement
22 of Financial Accounting Standards, No. 71, entitled "Accounting for
23 the Effects of Certain Types of Regulation," or any successor
24 standard and as deemed recoverable by the board **【;】**.

25 "Related competitive business segment of an electric public
26 utility or gas public utility" means any business venture of an
27 electric public utility or gas public utility including, but not limited
28 to, functionally separate business units, joint ventures, and
29 partnerships, that offers to provide or provides competitive services
30 **【;】**.

31 "Related competitive business segment of a public utility holding
32 company" means any business venture of a public utility holding
33 company, including, but not limited to, functionally separate
34 business units, joint ventures, and partnerships and subsidiaries, that
35 offers to provide or provides competitive services, but does not
36 include any related competitive business segments of an electric
37 public utility or gas public utility **【;】**.

38 "Reliability pricing model" or "RPM" means PJM's capacity-
39 market model, and its successors, that secures capacity on behalf of
40 electric load serving entities to satisfy load obligations not satisfied
41 through the output of electric generation facilities owned by those
42 entities, or otherwise secured by those entities through bilateral
43 contracts **【;】**.

44 "Renewable energy certificate" or "REC" means a certificate
45 representing the environmental benefits or attributes of one
46 megawatt-hour of generation from a generating facility that
47 produces Class I or Class II renewable energy, but shall not include

1 a solar renewable energy certificate or an offshore wind renewable
2 energy certificate [;].

3 "Resource clearing price" or "RCP" means the clearing price
4 established for the applicable locational deliverability area by the
5 base residual auction or incremental auction, as determined by the
6 optimization algorithm for each auction, conducted by PJM as part
7 of PJM's reliability pricing model [;].

8 "Resource recovery facility" means a solid waste facility
9 constructed and operated for the incineration of solid waste for
10 energy production and the recovery of metals and other materials
11 for reuse, which the Department of Environmental Protection has
12 determined to be in compliance with current environmental
13 standards, including, but not limited to, all applicable requirements
14 of the federal "Clean Air Act" (42 U.S.C. s.7401 et seq.) [;].

15 "Restructuring related costs" means reasonably incurred costs
16 directly related to the restructuring of the electric power industry,
17 including the closure, sale, functional separation, and divestiture of
18 generation and other competitive utility assets by a public utility, or
19 the provision of competitive services as [such] those costs are
20 determined by the board, and which are not stranded costs as
21 defined in P.L.1999, c.23 (C.48:3-49 et al.) but may include, but not
22 be limited to, investments in management information systems, and
23 which shall include expenses related to employees affected by
24 restructuring which result in efficiencies and which result in
25 benefits to ratepayers, such as training or retraining at the level
26 equivalent to one year's training at a vocational or technical school
27 or county community college, the provision of severance pay of two
28 weeks of base pay for each year of full-time employment, and a
29 maximum of 24 months' continued health care coverage. Except as
30 to expenses related to employees affected by restructuring,
31 "restructuring related costs" shall not include going forward costs
32 [;].

33 "Retail choice" means the ability of retail customers to shop for
34 electric generation or gas supply service from electric power or gas
35 suppliers, or opt to receive basic generation service or basic gas
36 service, and the ability of an electric power or gas supplier to offer
37 electric generation service or gas supply service to retail customers,
38 consistent with the provisions of P.L.1999, c.23 (C.48:3-49 et al.)
39 [;].

40 "Retail margin" means an amount, reflecting differences in
41 prices that electric power suppliers and electric public utilities may
42 charge in providing electric generation service and basic generation
43 service, respectively, to retail customers, excluding residential
44 customers, which the board may authorize to be charged to
45 categories of basic generation service customers of electric public
46 utilities in this State, other than residential customers, under the
47 board's continuing regulation of basic generation service pursuant to

1 sections 3 and 9 of P.L.1999, c.23 (C.48:3-51 and 48:3-57), for the
2 purpose of promoting a competitive retail market for the supply of
3 electricity **];].**

4 "Sales representative" means a person employed by, acting on
5 behalf of, or as an independent contractor for, an electric power
6 supplier, gas supplier, broker, energy agent, marketer, or private
7 aggregator who, by any means, solicits a potential residential
8 customer for the provision of electric generation service or gas
9 supply service **];].**

10 "Sanitary landfill facility" shall have the same meaning as
11 provided in section 3 of P.L.1970, c.39 (C.13:1E-3) **];].**

12 "School district" means a local or regional school district
13 established pursuant to chapter 8 or chapter 13 of Title 18A of the
14 New Jersey Statutes, a county special services school district
15 established pursuant to article 8 of chapter 46 of Title 18A of the
16 New Jersey Statutes, a county vocational school district established
17 pursuant to article 3 of chapter 54 of Title 18A of the New Jersey
18 Statutes, and a district under full State intervention pursuant to
19 P.L.1987, c.399 (C.18A:7A-34 et al.) **];].**

20 "Shopping credit" means an amount deducted from the bill of an
21 electric public utility customer to reflect the fact that **];such];** the
22 customer has switched to an electric power supplier and no longer
23 takes basic generation service from the electric public utility **];].**

24 "Site investigation" shall have the same meaning as provided in
25 section 3 of P.L.1976, c.141 (C.58:10-23.11b) **];].**

26 "Small scale hydropower facility" means a facility located within
27 this State that is connected to the distribution system, and that
28 meets the requirements of, and has been certified by, a nationally
29 recognized low-impact hydropower organization that has
30 established low-impact hydropower certification criteria applicable
31 to: (1) river flows; (2) water quality; (3) fish passage and
32 protection; (4) watershed protection; (5) threatened and endangered
33 species protection; (6) cultural resource protection; (7) recreation;
34 and (8) facilities recommended for removal **];].**

35 "Social program" means a program implemented with board
36 approval to provide assistance to a group of disadvantaged
37 customers, to provide protection to consumers, or to accomplish a
38 particular societal goal, and includes, but is not limited to, the
39 winter moratorium program, utility practices concerning "bad debt"
40 customers, low income assistance, deferred payment plans,
41 weatherization programs, and late payment and deposit policies, but
42 does not include any demand side management program or any
43 environmental requirements or controls **];].**

44 "Societal benefits charge" means a charge imposed by an electric
45 public utility, at a level determined by the board, pursuant to, and in
46 accordance with, section 12 of P.L.1999, c.23 (C.48:3-60) **];].**

1 "Solar alternative compliance payment" or "SACP" means a
2 payment of a certain dollar amount per megawatt hour (MWh)
3 which an electric power supplier or provider may submit to the
4 board in order to comply with the solar electric generation
5 requirements under section 38 of P.L.1999, c.23 (C.48:3-87) **【;】**.

6 "Solar renewable energy certificate" or "SREC" means a
7 certificate issued by the board or its designee, representing one
8 megawatt hour (MWh) of solar energy that is generated by a facility
9 connected to the distribution system in this State and has value
10 based upon, and driven by, the energy market **【;】**.

11 "Standard offer capacity agreement" or "SOCA" means a
12 financially-settled transaction agreement, approved by board order,
13 that provides for eligible generators to receive payments from the
14 electric public utilities for a defined amount of electric capacity for
15 a term to be determined by the board but not to exceed 15 years,
16 and for such payments to be a fully non-bypassable charge, with
17 such an order, once issued, being irrevocable **【;】**.

18 "Standard offer capacity price" or "SOCP" means the capacity
19 price that is fixed for the term of the SOCA and which is the price
20 to be received by eligible generators under a board-approved SOCA
21 **【;】**.

22 "State entity" means a department, agency, or office of State
23 government, a State university or college, or an authority created by
24 the State **【;】**.

25 "Stranded cost" means the amount by which the net cost of an
26 electric public utility's electric generating assets or electric power
27 purchase commitments, as determined by the board consistent with
28 the provisions of P.L.1999, c.23 (C.48:3-49 et al.), exceeds the
29 market value of those assets or contractual commitments in a
30 competitive supply marketplace and the costs of buydowns or
31 buyouts of power purchase contracts **【;】**.

32 "Stranded costs recovery order" means each order issued by the
33 board in accordance with subsection c. of section 13 of P.L.1999,
34 c.23 (C.48:3-61) which sets forth the amount of stranded costs, if
35 any, the board has determined an electric public utility is eligible to
36 recover and collect in accordance with the standards set forth in
37 section 13 of P.L.1999, c.23 (C.48:3-61) and the recovery
38 mechanisms therefor **【;】**.

39 "Telemarketer" shall have the same meaning as set forth in
40 section 2 of P.L.2003, c.76 (C.56:8-120) **【;】**.

41 "Telemarketing sales call" means a telephone call made by a
42 telemarketer to a potential residential customer as part of a plan,
43 program, or campaign to encourage the customer to change the
44 customer's electric power supplier or gas supplier. A telephone call
45 made to an existing customer of an electric power supplier, gas
46 supplier, broker, energy agent, marketer, private aggregator, or
47 sales representative, for the sole purpose of collecting on accounts

1 or following up on contractual obligations, shall not be deemed a
2 telemarketing sales call. A telephone call made in response to an
3 express written request of a customer shall not be deemed a
4 telemarketing sales call **【;】**.

5 "Thermal efficiency" means the useful electric energy output of a
6 facility, plus the useful thermal energy output of the facility,
7 expressed as a percentage of the total energy input to the facility
8 **【;】**.

9 "Transition bond charge" means a charge, expressed as an
10 amount per kilowatt hour, that is authorized by and imposed on
11 electric public utility ratepayers pursuant to a bondable stranded
12 costs rate order, as modified at any time pursuant to the provisions
13 of P.L.1999, c.23 (C.48:3-49 et al.) **【;】**.

14 "Transition bonds" means bonds, notes, certificates of
15 participation **【or】**, beneficial interest, or other evidences of
16 indebtedness or ownership issued pursuant to an indenture, contract,
17 or other agreement of an electric public utility or a financing entity,
18 the proceeds of which are used, directly or indirectly, to recover,
19 finance or refinance bondable stranded costs and which are, directly
20 or indirectly, secured by or payable from bondable transition
21 property. References in P.L.1999, c.23 (C.48:3-49 et al.) to
22 principal, interest, and acquisition or redemption premium with
23 respect to transition bonds which are issued in the form of
24 certificates of participation or beneficial interest or other evidences
25 of ownership shall refer to the comparable payments on such
26 securities **【;】**.

27 "Transition period" means the period from August 1, 1999
28 through July 31, 2003 **【;】**.

29 "Transmission and distribution system" means, with respect to an
30 electric public utility, any facility or equipment that is used for the
31 transmission, distribution, or delivery of electricity to the customers
32 of the electric public utility including, but not limited to, the land,
33 structures, meters, lines, switches, and all other appurtenances
34 thereof and thereto, owned or controlled by the electric public
35 utility within this State **【;】**.

36 "Universal service" means any service approved by the board
37 with the purpose of assisting low-income residential customers in
38 obtaining or retaining electric generation or delivery service **【; and】**

39 .

40 "Unsolicited advertisement" means any advertising claims of the
41 commercial availability or quality of services provided by an
42 electric power supplier, gas supplier, broker, energy agent,
43 marketer, private aggregator, sales representative, or telemarketer
44 which is transmitted to a potential customer without that customer's
45 prior express invitation or permission.

46 (cf: P.L.2013, c.263, s.1)

1 2. This act shall take effect immediately.

2

3

4

STATEMENT

5

6 This bill amends the definition of “Class II renewable energy” in
7 the "Electric Discount and Energy Competition Act." Under current
8 law, “Class II renewable energy” includes hydropower facilities
9 with a capacity of greater than three megawatts. These amendments
10 clarify that “Class II renewable energy” is to include hydropower
11 facilities with a capacity of greater than three megawatts but less
12 than 30 megawatts. Class II renewable energy is not to include
13 electric energy produced at a hydropower facility with a capacity of
14 greater than 30 megawatts on or after the effective date of this bill.

SENATE ENVIRONMENT AND ENERGY COMMITTEE

STATEMENT TO

SENATE, No. 2282

STATE OF NEW JERSEY

DATED: MARCH 9, 2015

The Senate Environment and Energy Committee favorably reports Senate Bill No. 2282.

This bill amends the definition of "Class II renewable energy" in the "Electric Discount and Energy Competition Act." Under current law, "Class II renewable energy" includes hydropower facilities with a capacity of greater than three megawatts. This bill clarifies that "Class II renewable energy" is to include hydropower facilities with a capacity of greater than three megawatts but less than 30 megawatts. Class II renewable energy is not to include electric energy produced at a hydropower facility with a capacity of greater than 30 megawatts on or after the effective date of this bill.

This bill is identical to Assembly Bill No. 3455 which was also reported by the committee.