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FLOOR AMENDMENT STATEMENT: No

LEGISLATIVE FISCAL ESTIMATE: No

VETO MESSAGE: Yes

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CL/JA

P.L. 2023, CHAPTER 190, *approved December 21, 2023*
Senate Committee Substitute (*Fourth Reprint*)
for Senate, No. 2848

1 AN ACT concerning remote net metering and amending P.L.2018,
2 c.17 ³and P.L.2021, c.169²³ .

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

6
7 1. Section 6 of P.L.2018, c.17 (C.48:3-87.12) is amended to read
8 as follows:

9 6. a. No later than 120 days after the date of enactment of
10 **[P.L.2018, c.17 (C.48:3-87.8 et al.)]** P.L. , c. (C.) (pending
11 before the Legislature as this bill), the board shall establish an
12 application and approval process ⁴**[to certify]** for remote net metered
13 solar energy projects serving⁴ public entities ⁴**[to act]**⁴ as ⁴**[a host**
14 **customer for ³subsequently allocated²]³ remote net metering**
15 **generating capacity]** receiving customers⁴ . [A public entity certified
16 to act as a host customer may allocate credits to other public entities
17 within the same electric public utility service territory. A copy of the
18 agreement between the public entity certified to act as a host customer
19 and other public entities designated to receive credits shall be provided
20 to the electric public utility before remote net metering credits may be
21 applied to a customer bill.] ³A solar energy project with a capacity
22 of up to 10 megawatts, as measured in direct current, may allocate
23 credits to any number of public entities within the same electric public
24 utility service area, up to the total usage of each of the public entities'
25 proposed customer accounts over the previous 12 months. A copy of
26 the board approved allocation agreement between the individual public
27 entities designated to receive credits shall be provided to the electric
28 public utility before remote net metering credits may be applied to a
29 customer's bill.²³

30 ²**[A public entity certified to act as a host customer may**
31 **¹individually, or collectively with one or more other public entities,]¹**
32 **host a solar energy project with a capacity up to 10 megawatts, as**
33 **measured in direct current, to accommodate the total [average] usage**
34 **of the electric public utility accounts for the host public entity**
35 **customer ; and the]** ³**[In order to be eligible to participate in the**
36 **remote net metering program pursuant to this section, a²] A ⁴**[public**
37 **entity certified to act as a host customer may individually, or****

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.

Matter enclosed in superscript numerals has been adopted as follows:

¹Assembly ATU committee amendments adopted October 17, 2022.

²Assembly AOF committee amendments adopted June 22, 2023.

³Assembly floor amendments adopted June 30, 2023.

⁴Senate amendments adopted in accordance with Governor's recommendations December 11, 2023.

1 collectively with one or more other public entities, host a] remote net
2 metered⁴ solar energy project ⁴[with] shall:
3 (1) have⁴ a capacity up to ⁴[10] five⁴ megawatts, as measured in
4 direct current ⁴[, to accommodate the total usage of the electric public
5 utility accounts for the host public entity customer; and the³ solar
6 energy project shall:];
7 (2) exclusively serve public entities certified by the board to act as
8 receiving customers and located within the same electric distribution
9 company service territory as the project;⁴
10 ⁴[(1)] (3)⁴ be located on ⁴[land] any property⁴ owned, licensed,
11 or leased by any public entity or on any suitable private property
12 ⁴[within the electric ¹[distribution company's] ³[public utility's¹]
13 distribution company's³ service territory]⁴, including, but not limited
14 to, rooftops of commercial buildings, parking lots, brownfields for
15 which a final remediation document has been issued, or properly
16 closed sanitary landfill facilities; ¹[and]¹ ⁴[²and²]
17 (4) not be sited on:
18 (a) land preserved under the Green Acres Program;
19 (b) land designated as freshwater wetlands as defined pursuant to
20 P.L.1987, c.156 (C.13:9B-1 et seq.), or coastal wetlands as defined
21 pursuant to P.L.1970, c.272 (C.13:9A-1 et seq.);
22 (c) forested lands, as defined by the board in consultation with the
23 Department of Environmental Protection; or
24 d) prime agricultural soils and soils of Statewide importance, as
25 identified by the United States Department of Agriculture's Natural
26 Resources Conservation Service, which are located in Agricultural
27 Development Areas certified by the State Agricultural Development
28 Committee;⁴
29 ⁴[(2)] (5)⁴ have a facility size calculated based upon the total
30 aggregate electricity usage of the receiving public entity customer
31 utility accounts to be served by the project, based on the total usage of
32 each proposed customer account over the previous twelve months ⁴;
33 and
34 (6) be metered separately⁴ ²[¹; and
35 (3) be metered separately¹]².
36 b. The board shall establish a remote net metering application
37 process to ⁴approve remote net metered solar energy projects and⁴
38 [approve as the primary account holder a certified public entity that is
39 the host customer and the other public entities designated to receive
40 credits] ³[²approve the public entities designated to receive credits
41 and to²]³ certify public entities ²[to act as a host customer]² ³to act as
42 ⁴[a host customer³] receiving customers⁴ for remote net metering
43 generating capacity. The process shall be modeled after the relevant
44 rules and regulations adopted by the board for ¹the¹ community solar
45 energy program pursuant to section 5 of P.L.2018, c.17 (C.48:3-
46 87.11), including, but not limited to, the calculation of the value of the

1 net metering credit. ⁴An electric public utility shall be entitled to full
2 and timely cost recovery, including the full value of Public Remote
3 Net Metering credits provided to customers and billing system
4 investments, associated with Public Remote New Metering consistent
5 with the Community Solar provisions pursuant to section 5 of
6 P.L.2018, c.17 (C.48:3-87.11(e)).⁴

7 c. **【**The board shall require the owner of a solar energy project to
8 pay a certified public entity a pro-rated public sponsor fee of \$10,000
9 per megawatt, up to a 10-megawatt allowance for each public entity.
10 The board shall require each participating customer to pay at least 50
11 percent of the societal benefits charge established pursuant to section
12 12 of P.L.1999, c.23 (C.48:3-60).**】** (Deleted by amendment, P.L. ,
13 c.) (pending before the Legislature as this bill)

14 d. ³**【**¹(1)³ The electric ¹**【**distribution company³ ³**【**public
15 utility¹**】** distribution company³ that serves the location of a solar
16 energy project approved pursuant to this section shall be responsible
17 for reviewing and approving the interconnection of the solar energy
18 project.

19 ³**【**¹(2) Subject to review by the board, an electric public utility
20 shall be entitled to full and timely cost recovery for all costs incurred
21 in the implementation of and compliance with this section, including
22 ²any lost margin revenues and² the full value of all credits provided to
23 participating customers, which review shall be consistent with the
24 review conducted pursuant to subsection e. of section 5 of P.L.2018,
25 c.17 (C.48:3-87.11).¹

26 ²e. The board shall establish the goal of the generation of an
27 additional 75 megawatts of power each year from solar energy projects
28 participating in the remote net metering program established pursuant
29 to this section. Subject to board review and approval, a solar energy
30 project that participates in the remote net metering program shall
31 receive the same financial incentive, issued under the small solar
32 facilities incentive program established pursuant to section 3 of
33 P.L.2021, c.169 (C.48:3-116), as a solar energy project that
34 participates in the non-low-and-middle-income segment of the
35 community solar energy program established pursuant to section 5 of
36 P.L.2018, c.17 (C.48:3-87.11), including any additional incentives for
37 public entities approved by the board.²³

38 (cf: P.L.2018, c.17, s.6)

39
40 ³**【**²Section 3 of P.L.2021, c.169 (C.48:3-116) is amended to read
41 as follows:

42 3. a. The board shall develop, as part of the SREC-II program, a
43 small solar facilities incentive program to award SREC-IIs to the
44 owners of community solar facilities , solar facilities up to 10
45 megawatts in size that participate in the remote net metering program
46 established pursuant to section 6 of P.L.2018, c.17 (C.48:3-87.12), and
47 net metered solar facilities less than five megawatts in size, as

1 measured in direct current, or another size specified by the board. The
2 small solar facilities incentive program shall aim to provide SREC-IIs
3 for the generation of at least 300 megawatts of net-metered solar
4 facilities per year **[and]** , 150 megawatts of community solar facilities
5 per year , and 75 megawatts of solar facilities in the remote net
6 metering program, for each of the five years after the establishment of
7 the SREC-II program.

8 b. The board shall establish eligibility criteria and an application
9 process by which an owner of a solar electric power generation facility
10 may apply to receive SREC-IIs pursuant to this section, until the
11 program reaches the energy generation target established by subsection
12 a. of this section, as determined by the board. Only solar electric
13 power generation facilities that receive permission to operate from the
14 appropriate regional grid operator after the effective date of P.L.2021,
15 c.169 (C.48:3-114 et al.), shall be eligible to receive SREC-IIs
16 pursuant to this section, unless otherwise specified by the board. A
17 facility shall be eligible to receive SREC-IIs pursuant to this section
18 for a duration established by the board if it is connected to the
19 distribution or transmission system owned or operated by a New
20 Jersey public utility or local government unit.

21 c. The small solar facilities incentive program shall include
22 criteria by which to assign an SREC-II value per megawatt-hour to a
23 solar electric power generation facility. The criteria shall be designed
24 by the board to incentivize the development of new solar power
25 projects sufficiently so that the goals for solar power development in
26 the State's Energy Master Plan are met, to further other State goals,
27 and to incentivize projects that are especially in the public interest.
28 The SREC-II value per megawatt-hour may include the value of the
29 environmental and other benefits to the State provided by the facility,
30 as determined by the board. The criteria may include, but is not
31 limited to, consideration of the following factors:

32 (1) the size of the facility;

33 (2) the costs and revenues associated with representative facilities;

34 (3) for community solar facilities, the economic and demographic
35 characteristics of the area served by the facility, including whether it is
36 located in an overburdened community, as that term is defined in
37 section 2 of P.L.2020, c.92 (C.13:1D-158);

38 (4) whether the facility is located on already developed land or the
39 built environment;

40 (5) the facility's eligibility for net metering pursuant to subsection
41 e. of section 38 of P.L.1999, c.23 (C.48:3-87) or participation in the
42 community solar program established pursuant to subsection f. of
43 section 5 of P.L.2018, c.17 (C.48:3-87.11); and (6) the rate
44 class of the facility, as determined by the appropriate New Jersey
45 electric public utility or local government unit.²

46 (cf: P.L.2021, c.169, s.3)]³

1 ⁴2. Section 3 of P.L.2021, c.169 (C.48:3-116) is amended to read
2 as follows:

3 3. a. The board shall develop, as part of the SREC-II program, a
4 small solar facilities incentive program to award SREC-IIs to the
5 owners of community solar facilities , solar facilities up to five
6 megawatts in size that participate in the remote net metering program
7 established pursuant to section 6 of P.L.2018, c.17 (C.48:3-87.12), and
8 net metered solar facilities less than five megawatts in size, as
9 measured in direct current, or another size specified by the board. The
10 small solar facilities incentive program shall aim to provide SREC-IIs
11 for the generation of at least 300 megawatts of net-metered solar
12 facilities per year and 150 megawatts of community solar facilities per
13 year, and 50 megawatts of solar facilities in the remote net metering
14 program, for each of the five years after the establishment of the
15 SREC-II program.

16 b. The board shall establish eligibility criteria and an application
17 process by which an owner of a solar electric power generation facility
18 may apply to receive SREC-IIs pursuant to this section, until the
19 program reaches the energy generation target established by subsection
20 a. of this section, as determined by the board. Only solar electric
21 power generation facilities that receive permission to operate from the
22 appropriate regional grid operator after the effective date of P.L.2021,
23 c.169 (C.48:3-114 et al.), shall be eligible to receive SREC-IIs
24 pursuant to this section, unless otherwise specified by the board. A
25 facility shall be eligible to receive SREC-IIs pursuant to this section
26 for a duration established by the board if it is connected to the
27 distribution or transmission system owned or operated by a New
28 Jersey public utility or local government unit.

29 c. The small solar facilities incentive program shall include
30 criteria by which to assign an SREC-II value per megawatt-hour to a
31 solar electric power generation facility. The criteria shall be designed
32 by the board to incentivize the development of new solar power
33 projects sufficiently so that the goals for solar power development in
34 the State's Energy Master Plan are met, to further other State goals,
35 and to incentivize projects that are especially in the public interest.
36 The SREC-II value per megawatt-hour may include the value of the
37 environmental and other benefits to the State provided by the facility,
38 as determined by the board. The criteria may include, but is not
39 limited to, consideration of the following factors:

- 40 (1) the size of the facility;
41 (2) the costs and revenues associated with representative facilities;
42 (3) for community solar facilities, the economic and demographic
43 characteristics of the area served by the facility, including whether it is
44 located in an overburdened community, as that term is defined in
45 section 2 of P.L.2020, c.92 (C.13:1D-158);
46 (4) whether the facility is located on already developed land or the
47 built environment;

1 (5) the facility's eligibility for net metering pursuant to subsection
2 e. of section 38 of P.L.1999, c.23 (C.48:3-87) or participation in the
3 community solar program established pursuant to subsection f. of
4 section 5 of P.L.2018, c.17 (C.48:3-87.11); and

5 (6) the rate class of the facility, as determined by the appropriate
6 New Jersey electric public utility or local government unit.⁴
7 (cf: P.L.2021, c.169, s.3)

8

9 ²[2.] ³[3.2] ⁴[2.3] 3.⁴ This act shall take effect immediately.

10

11

12

13

14 _____
Revises criteria for remote net metering program established by BPU.

SENATE, No. 2848

STATE OF NEW JERSEY
220th LEGISLATURE

INTRODUCED JUNE 13, 2022

Sponsored by:

Senator BOB SMITH

District 17 (Middlesex and Somerset)

Senator LINDA R. GREENSTEIN

District 14 (Mercer and Middlesex)

SYNOPSIS

Directs BPU to adopt rules and regulations establishing “Public Remote Net Metering Program,” and provides additional program criteria.

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT concerning remote net metering and amending P.L.2018,
2 c.17.

3

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

6

7 1. Section 6 of P.L.2018, c.17 (C.48:3-87.12) is amended to read
8 as follows:

9 6. a. No later than 120 days after the date of enactment of
10 P.L.2018, c.17 (C.48:3-87.8 et al.), the board shall establish an
11 application and approval process to certify public entities to act as a
12 host customer for remote net metering generating capacity. A
13 public entity certified to act as a host customer may allocate credits
14 to other public entities within the same electric public utility service
15 territory. A copy of the agreement between the public entity
16 certified to act as a host customer and other public entities
17 designated to receive credits shall be provided to the electric public
18 utility before remote net metering credits may be applied to a
19 customer bill. A public entity certified to act as a host customer
20 may host a solar energy project with a capacity up to the total
21 average usage of the electric public utility accounts for the host
22 public entity customer.

23 b. The board shall establish a remote net metering application
24 process to approve as the primary account holder a certified public
25 entity that is the host customer and the other public entities
26 designated to receive credits.

27 c. The board shall require the owner of a solar energy project
28 to pay a certified public entity a pro-rated public sponsor fee of
29 \$10,000 per megawatt, up to a 10-megawatt allowance for each
30 public entity. The board shall require each participating customer
31 to pay at least 50 percent of the societal benefits charge established
32 pursuant to section 12 of P.L.1999, c.23 (C.48:3-60).

33 d. No later than 90 days after the date of enactment of
34 P.L. , c. (C.) (pending before the Legislature as this bill),
35 and notwithstanding the provisions of the “Administrative
36 Procedure Act,” P.L.1968, c.410 (C.52:14B-1 et seq.), to the
37 contrary, the board shall adopt, immediately upon filing the proper
38 notice with the Office of Administrative Law, rules and regulations
39 establishing a “Public Remote Net Metering Program” to allow
40 public entity customers of an electric public utility to participate in
41 a solar energy project that is remotely located on property owned or
42 leased by the public entity or on other eligible property within the
43 service territory of the electric public utility serving the public
44 entity, and to allow for a credit to the public entity's utility bill
45 equal to the electricity generated that is attributed to the public
46 entity's participation in the solar energy project.

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 These rules and regulations shall be in effect for a period not to
2 exceed 365 days after the date of the filing. The rules and
3 regulations shall thereafter be amended, adopted, or readopted in
4 accordance with the requirements of the “Administrative Procedure
5 Act,” P.L.1968, c.410 (C.52:14B-1 et seq.).

6 e. (1) A solar energy project eligible to participate in the “Public
7 Remote Net Metering Program” established pursuant to subsection
8 d. of this section shall:

9 (a) be located in the same electric public utility’s service
10 territory as the host customer and receiving customer;

11 (b) have a minimum number of 10 participating public entity
12 customer utility accounts as receiving customers;

13 (c) be situated on land owned or leased by any public entity or on
14 private commercial rooftops;

15 (d) have a facility size calculated based upon the total aggregate
16 electricity usage of the receiving customer public entity customer
17 utility accounts to be served by the project based on the total usage
18 of each proposed customer account over the previous twelve
19 months; and

20 (e) be less than four megawatts in total size based on the
21 approved alternating current rating of the facility.

22 (2) A public entity may agree to host a solar energy project that
23 is not located on property owned or leased by the public entity and
24 receive the annual host fee of \$10,000 per megawatt as set forth in
25 subsection c. of this section.

26 (a) The host customer shall (i) submit a public entity certification
27 agreement and remote net metering public entity certification
28 agreement to the electric distribution company serving the host
29 customer on the forms established, and in the manner prescribed, by
30 board order adopted on September 17, 2018, or as subsequently
31 provided in the rules and regulations adopted pursuant to subsection
32 d. of this section, and (ii) an application to interconnect a solar
33 electric generation facility with the electric distribution company.

34 (b) The electric distribution company shall review the
35 certification agreements submitted pursuant to subparagraph (a) of
36 this paragraph and recommend approval or rejection to board staff
37 based upon the electric distribution company's review of the data
38 submitted and account billing history. Upon receipt of a
39 recommendation from the electric distribution company, board staff
40 shall present a recommendation to the board on the request for
41 public entity certification at a regularly scheduled meeting of the
42 board.

43 f. A host customer shall be responsible for the cost to install an
44 electricity production meter specified by the electric distribution
45 company for the sole purpose of metering the output of the solar
46 energy project.

47 g. The negotiation and entrance into a power purchase
48 agreement or other contract by a public entity pursuant to this

1 section whether to serve as a host customer or receiving customer,
2 or both, shall be qualified as an exemption as set forth in section 5
3 of P.L.1971, c.198 (C.40A:11-5) such that the power purchase
4 agreement or other contract may be negotiated and awarded by the
5 governing body without public advertisement for bids and bidding
6 therefor and shall be awarded by resolution of the governing body.
7 (cf: P.L.2018, c.17, s.6)

8
9 2. This act shall take effect immediately.

10
11
12 STATEMENT

13
14 This bill would amend current law concerning remote net
15 metering. Section 6 of P.L.2018, c.17 (C.48:3-87.12) directed the
16 Board of Public Utilities (BPU) to establish an application and
17 approval process to certify public entities to act as a host customer
18 for remote net metering generating capacity. The BPU established
19 a remote meter metering program by board order dated September
20 17, 2018. This bill directs the BPU to adopt rules and regulations
21 establishing the “Public Remote Net Metering Program.”

22 Under the bill, a public entity customer of an electric public
23 utility would be eligible to participate in a solar energy project that
24 is remotely located on property owned or leased by the public entity
25 or on other eligible property within the service territory of the
26 electric public utility serving the public entity and be allowed a
27 credit on their utility bill equal to the electricity generated that is
28 attributed to the public entity's participation in the solar energy
29 project.

30 A solar energy project eligible to participate in the “Public
31 Remote Net Metering Program” established pursuant to the bill
32 would be required to:

33 (1) be located in the same electric public utility’s service
34 territory as the host customer and receiving customer;

35 (2) have a minimum number of 10 participating public entity
36 customer utility accounts as receiving customers;

37 (3) be situated on land owned or leased by any public entity or
38 on private commercial rooftops;

39 (4) have a facility size calculated based upon the total aggregate
40 electricity usage of the receiving customer public entity customer
41 utility accounts to be served by the project based on the total usage
42 of each proposed customer account over the previous twelve
43 months; and

44 (5) be less than four megawatts in total size based on the
45 approved alternating current rating of the facility.

46 The bill provides that a public entity may agree to host a solar
47 energy project that is not located on property owned or leased by

1 the public entity and receive the annual host fee of \$10,000 per
2 megawatt provided in current law.

3 The bill requires the electric distribution company to review the
4 public entity certification agreement and the remote net metering
5 certification agreement required to be submitted by the public entity
6 under the bill and recommend approval or rejection to BPU staff
7 based upon the electric distribution company's review of the data
8 submitted and account billing history. Upon receipt of a
9 recommendation from an electric distribution company, BPU staff
10 would be required to present a recommendation to the BPU on the
11 request for public entity certification at a regularly scheduled
12 meeting of the BPU.

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

SENATE COMMITTEE SUBSTITUTE FOR SENATE, No. 2848

STATE OF NEW JERSEY

DATED: JUNE 27, 2022

The Senate Budget and Appropriations Committee reports favorably a Senate Committee Substitute for Senate Bill No. 2848.

This committee substitute amends current law concerning remote net metering.

Section 6 of P.L.2018, c.17 (C.48:3-87.12) directed the Board of Public Utilities (BPU) to establish an application and approval process to certify public entities to act as a host customer for remote net metering generating capacity. The BPU established a remote meter metering program by board order dated September 17, 2018.

Under the bill, a public entity certified to act as a host customer may individually, or collectively with one or more other public entities, host a solar energy project with a capacity up to 10 megawatts, as measured in direct current, to accommodate the total usage of the electric public utility accounts for the host public entity customer. The solar energy project would be required to:

(1) be located on land owned, licensed, or leased by any public entity or on any suitable private property within the electric public utility's service territory, including, but not limited to, rooftops of commercial buildings, parking lots, brownfields for which a final remediation document has been issued, or properly closed sanitary landfill facilities; and

(2) have a facility size calculated based upon the total aggregate electricity usage of the receiving public entity customer utility accounts to be served by the project, based on the total usage of each proposed customer account over the previous twelve months.

The bill would delete the provisions in current law that:

(1) allow a public entity certified to act as a host customer to allocate credits to other public entities within the same utility service territory;

(2) require the owner of a solar energy project to pay a certified public entity a pro-rated public sponsor fee of \$10,000 per megawatt, up to a 10-megawatt allowance for each public entity; and

(3) require each participating customer to pay at least 50 percent of the societal benefits charge established pursuant to section 12 of P.L.1999, c.23 (C.48:3-60).

Lastly, the bill provides that an electric distribution company that serves the location of a solar energy project approved pursuant to the bill is responsible for reviewing and approving the interconnection of the remote net metering solar energy project.

FISCAL IMPACT:

Fiscal information for this bill is currently unavailable.

ASSEMBLY TELECOMMUNICATIONS AND UTILITIES
COMMITTEE

STATEMENT TO

SENATE COMMITTEE SUBSTITUTE FOR
SENATE, No. 2848

with committee amendments

STATE OF NEW JERSEY

DATED: OCTOBER 17, 2022

The Assembly Telecommunications and Utilities Committee reports favorably the Senate Committee Substitute for Senate Bill No. 2848, with committee amendments.

As amended and reported, this bill would amend current law concerning remote net metering. Under the Clean Energy Act, P.L.2018, c.17 (C.48:3-87.8 et al.), the Board of Public Utilities (BPU) was required to establish an application and approval process to certify public entities to act as a host customer for remote net metering generating capacity. Thereafter, the BPU established a remote net metering program pursuant to a board order dated September 17, 2018. Under this bill, the BPU would be required to revise certain components of this program.

Notably, the bill requires the application process for remote net metering to be modeled on relevant rules and regulations adopted by the BPU for the Community Solar Energy Program. At a minimum, these regulations would determine the manner in which the value of the net metering credit is calculated. As permitted under the Community Solar Energy Program, the bill also provides that electric public utilities may recover all costs incurred in the implementation of or compliance with the remote net metering program, including the full value of all credits provided to participating customers. However, the recovery of these costs would be subject to review by the BPU, which review is required to be consistent with the review conducted under the Community Solar Energy Program for the recovery of similar costs incurred by electric public utilities.

Under the bill, a public entity certified to act as a host customer may host a solar energy project with a capacity up to 10 megawatts, as measured in direct current, to accommodate the total usage of the electric public utility accounts for the host public entity customer. However, the bill requires each solar energy project to: (1) be located on land owned, licensed, or leased by any public entity or on any suitable private property within the electric public utility's

service territory; (2) have a facility size calculated based upon the total aggregate electricity usage of the receiving public entity customer utility accounts to be served by the project; and (3) be metered separately.

The bill also provides that when an electric public utility serves the location of a solar energy project that is approved for remote net metering, the electric public utility would be responsible for reviewing and approving the interconnection of the solar energy project.

Additionally, the bill removes several provisions of law that currently regulate the implementation of remote net metering. By deleting these provisions, the bill provides that: (1) a public entity that is certified to act as a host customer would no longer be allowed to allocate credits to other public entities within the same utility service territory; (2) the owner of a solar energy project would no longer be required to pay a pro-rated public sponsor fee of \$10,000 per megawatt, up to a 10-megawatt allowance for each public entity; and (3) each participating customer would no longer be required to pay at least 50 percent of the societal benefits charge, established pursuant to section 12 of P.L.1999, c.23 (C.48:3-60).

As amended and reported, this bill is identical to Assembly Bill No. 4328, which was also amended and reported by the committee on this date.

COMMITTEE AMENDMENTS:

The committee amendments provide that electric public utilities would be entitled to full and timely cost recovery for all costs incurred in the implementation of or compliance with the remote net metering program, including the full value of all credits provided to participating customers. As amended, the recovery of these costs would be subject to review by the BPU, which review is required to be consistent with the review conducted under the Community Solar Energy Program for the recovery of similar costs incurred by electric public utilities.

The committee amendments also remove a provision of the bill, which permitted more than one public entity to collectively act as a host customer for a solar energy project. The committee also amended the bill to require each solar energy project to be metered separately.

The committee amendments also provide technical corrections to the bill, including replacing references to “electric distribution company” with “electric public utility.”

ASSEMBLY OVERSIGHT, REFORM AND FEDERAL
RELATIONS COMMITTEE

STATEMENT TO

[First Reprint]

SENATE COMMITTEE SUBSTITUTE FOR
SENATE, No. 2848

with committee amendments

STATE OF NEW JERSEY

DATED: JUNE 22, 2023

The Assembly Oversight, Reform and Federal Relations Committee reports favorably and with committee amendments Senate Bill No. 2848 SCS.

This bill, as amended by the committee, would amend current law concerning remote net metering. Under P.L.2018, c.17 (C.48:3-87.8 et al.), commonly referred to as the Clean Energy Act, the Board of Public Utilities (BPU) was required to establish an application and approval process to certify public entities to act as a host customer for remote net metering generating capacity. Thereafter, the BPU established a remote net metering program pursuant to a board order dated September 17, 2018. Under this bill, the BPU would be required to revise certain components of this program.

Notably, the bill requires the application process for remote net metering to be modeled on relevant rules and regulations adopted by the BPU for the Community Solar Energy Program. At a minimum, these regulations would determine the manner in which the value of the net metering credit is calculated. The bill also provides that electric public utilities may recover all costs incurred in the implementation of, or compliance with, the remote net metering program, including any lost margin revenues and the full value of all credits provided to participating customers. However, the recovery of these costs would be subject to review by the BPU, which review is required to be consistent with the review conducted under the Community Solar Energy Program for the recovery of similar costs incurred by electric public utilities.

Under the bill, a solar energy project with a capacity up to 10 megawatts could use the power it generates to offset the total usage of the electric public utility accounts for approved public entity customers that are within the same electric utility service area as the solar energy project. However, the bill requires each solar energy project to: (1) be located on land owned, licensed, or leased by any public entity or on any suitable private property within the electric

public utility's service territory; and (2) have a facility size calculated based upon the total aggregate electricity usage of the receiving public entity customer utility accounts to be served by the project. The bill also provides that when an electric public utility serves the location of a solar energy project that is approved for remote net metering, the electric public utility would be responsible for reviewing and approving the interconnection of the solar energy project.

Additionally, the bill removes several provisions of law that currently regulate the implementation of remote net metering. By deleting these provisions, the bill provides that: (1) a public entity that is certified to act as a host customer would no longer be allowed to allocate credits to other public entities within the same utility service territory; (2) the owner of a solar energy project would no longer be required to pay a pro-rated public sponsor fee of \$10,000 per megawatt, up to a 10-megawatt allowance for each public entity; and (3) each participating customer would no longer be required to pay at least 50 percent of the societal benefits charge, established pursuant to section 12 of P.L.1999, c.23 (C.48:3-60).

The bill would also direct the BPU to establish the goal of approving enough solar energy projects in the remote net metering program to generate an additional 75 megawatts of electric power each year. Finally, the bill would direct the BPU to provide the same financial incentives to remote net metering projects that it currently provides to certain projects in the Community Solar Energy Program.

COMMITTEE AMENDMENTS:

The committee amendments to the bill:

(1) provide that a solar energy project may distribute remote net metering credits to any number of public entities, under the remote net metering program, rather than requiring that each solar energy project be linked to a single host customer;

(2) remove the requirement that solar energy projects participating in the program be metered separately;

(3) direct the BPU to establish the goal of approving 75 megawatts of remote net metering projects each year;

(4) direct the BPU to provide the same financial incentives to remote net metering projects that it currently provides to certain projects in the Community Solar program;

(5) add a new section to the bill, which amends P.L.2021, c.169 (C.48:3-114 et al.), the law establishing the "small solar facilities incentive program," to provide that the BPU should increase its goals under that program to include 75 megawatts of remote net metering projects each year; and

(6) make other technical and clarifying changes.

STATEMENT TO
[Second Reprint]
SENATE COMMITTEE SUBSTITUTE FOR

SENATE, No. 2848

with Assembly Floor Amendments
(Proposed by Assemblyman DEANGELO)

ADOPTED: JUNE 30, 2023

These floor amendments would:

(1) delete a provision that would have authorized certain solar energy projects to allocate remote net metering credits to any number of public entities within the same electric public utility service area;

(2) add a provision, which would authorize a public entity that is certified to act as a host customer to individually, or collectively with one or more other public entities, host a solar energy project to accommodate the total usage of the electric public utility accounts for the host public entity customer;

(3) delete a provision that would have required the Board of Public Utilities (BPU) to approve the public entities designated to receive remote net metering credits;

(4) add a provision, which require the BPU to certify public entities to act a host customers;

(5) delete a provision that would have authorized electric public utilities to full and timely cost recovery for all costs incurred in the implementation of, and compliance with, the remote net metering program;

(6) delete provisions that would have directed the BPU to increase the goals of the Solar Renewable Energy Certificate-II (SREC-II) program to include 75 megawatts of power from the remote net metering program; and

(7) delete a provision that would have established a specific monetary value for SREC-IIs that solar facilities in the remote net metering program would receive.

ASSEMBLY, No. 4328

STATE OF NEW JERSEY 220th LEGISLATURE

INTRODUCED JUNE 20, 2022

Sponsored by:

Assemblyman WAYNE P. DEANGELO
District 14 (Mercer and Middlesex)

Co-Sponsored by:

Assemblyman Spearman

SYNOPSIS

Revises criteria for remote net metering program established by BPU.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 10/17/2022)

1 AN ACT concerning remote net metering and amending P.L.2018,
2 c.17.

3

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

6

7 1. Section 6 of P.L.2018, c.17 (C.48:3-87.12) is amended to read
8 as follows:

9 6. a. No later than 120 days after the date of enactment of
10 **[P.L.2018, c.17 (C.48:3-87.8 et al.)]** P.L. , c. (C.) (pending
11 before the Legislature as this bill), the board shall establish an
12 application and approval process to certify public entities to act as a
13 host customer for remote net metering generating capacity. **[A**
14 public entity certified to act as a host customer may allocate credits
15 to other public entities within the same electric public utility service
16 territory. A copy of the agreement between the public entity
17 certified to act as a host customer and other public entities
18 designated to receive credits shall be provided to the electric public
19 utility before remote net metering credits may be applied to a
20 customer bill.]

21 A public entity certified to act as a host customer may
22 individually, or collectively with one or more other public entities,
23 host a solar energy project with a capacity up to 10 megawatts, as
24 measured in direct current, to accommodate the total [average]
25 usage of the electric public utility accounts for the host public entity
26 customer ; and the solar energy project shall:

27 (1) be located on land owned, licensed, or leased by any public
28 entity or on any suitable private property within the electric
29 distribution company's service territory, including, but not limited
30 to, rooftops of commercial buildings, parking lots, brownfields for
31 which a final remediation document has been issued, or properly
32 closed sanitary landfill facilities; and

33 (2) have a facility size calculated based upon the total aggregate
34 electricity usage of the receiving public entity customer utility
35 accounts to be served by the project, based on the total usage of
36 each proposed customer account over the previous twelve months .

37 b. The board shall establish a remote net metering application
38 process to **[approve as the primary account holder a certified public**
39 **entity that is the host customer and the other public entities**
40 **designated to receive credits]** certify public entities to act as a host
41 customer for remote net metering generating capacity. The process
42 shall be modeled after the relevant rules and regulations adopted by
43 the board for community solar energy program pursuant to section 5
44 of P.L.2018, c.17 (C.48:3-87.11), including, but not limited to, the
45 calculation of the value of the net metering credit .

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 c. ~~【The board shall require the owner of a solar energy project~~
2 ~~to pay a certified public entity a pro-rated public sponsor fee of~~
3 ~~\$10,000 per megawatt, up to a 10-megawatt allowance for each~~
4 ~~public entity. The board shall require each participating customer~~
5 ~~to pay at least 50 percent of the societal benefits charge established~~
6 ~~pursuant to section 12 of P.L.1999, c.23 (C.48:3-60).】 (Deleted by~~
7 ~~amendment, P.L. , c.) (pending before the Legislature as this~~
8 ~~bill)~~

9 d. The electric distribution company that serves the location of a
10 solar energy project approved pursuant to this section shall be
11 responsible for reviewing and approving the interconnection of the
12 solar energy project.

13 (cf: P.L.2018, c.17, s.6)

14
15 2. This act shall take effect immediately.

18 STATEMENT

19
20 This bill would amend current law concerning remote net
21 metering.

22 Section 6 of P.L.2018, c.17 (C.48:3-87.12) directed the Board of
23 Public Utilities (BPU) to establish an application and approval
24 process to certify public entities to act as a host customer for remote
25 net metering generating capacity. The BPU established a remote
26 meter metering program by board order dated September 17, 2018.

27 Under the bill, a public entity certified to act as a host customer
28 may individually, or collectively with one or more other public
29 entities, host a solar energy project with a capacity up to 10
30 megawatts, as measured in direct current, to accommodate the total
31 usage of the electric public utility accounts for the host public entity
32 customer. The solar energy project would be required to:

33 (1) be located on land owned, licensed, or leased by any public
34 entity or on any suitable private property within the electric public
35 utility's service territory, including, but not limited to, rooftops of
36 commercial buildings, parking lots, brownfields for which a final
37 remediation document has been issued, or properly closed sanitary
38 landfill facilities; and

39 (2) have a facility size calculated based upon the total aggregate
40 electricity usage of the receiving public entity customer utility
41 accounts to be served by the project, based on the total usage of
42 each proposed customer account over the previous twelve months.

43 The bill would delete the provisions in current law that:

44 (1) allow a public entity certified to act as a host customer to
45 allocate credits to other public entities within the same utility
46 service territory;

47 (2) require the owner of a solar energy project to pay a certified
48 public entity a pro-rated public sponsor fee of \$10,000 per

A4328 DEANGELO

1 megawatt, up to a 10-megawatt allowance for each public entity;
2 and

3 (3) require each participating customer to pay at least 50 percent
4 of the societal benefits charge established pursuant to section 12 of
5 P.L.1999, c.23 (C.48:3-60).

6 Lastly, the bill would provide that an electric distribution
7 company that serves the location of a solar energy project approved
8 pursuant to the bill is responsible for reviewing and approving the
9 interconnection of the remote net metering solar energy project.

ASSEMBLY TELECOMMUNICATIONS AND UTILITIES
COMMITTEE

STATEMENT TO
ASSEMBLY, No. 4328

with committee amendments

STATE OF NEW JERSEY

DATED: OCTOBER 17, 2022

The Assembly Telecommunications and Utilities Committee reports favorably Assembly Bill No. 4328, with committee amendments.

As amended and reported, this bill would amend current law concerning remote net metering. Under the Clean Energy Act, P.L.2018, c.17 (C.48:3-87.8 et al.), the Board of Public Utilities (BPU) was required to establish an application and approval process to certify public entities to act as a host customer for remote net metering generating capacity. Thereafter, the BPU established a remote net metering program pursuant to a board order dated September 17, 2018. Under this bill, the BPU would be required to revise certain components of this program.

Notably, the bill requires the application process for remote net metering to be modeled on relevant rules and regulations adopted by the BPU for the Community Solar Energy Program. At a minimum, these regulations would determine the manner in which the value of the net metering credit is calculated. As permitted under the Community Solar Energy Program, the bill also provides that electric public utilities may recover all costs incurred in the implementation of or compliance with the remote net metering program, including the full value of all credits provided to participating customers. However, the recovery of these costs would be subject to review by the BPU, which review is required to be consistent with the review conducted under the Community Solar Energy Program for the recovery of similar costs incurred by electric public utilities.

Under the bill, a public entity certified to act as a host customer may host a solar energy project with a capacity up to 10 megawatts, as measured in direct current, to accommodate the total usage of the electric public utility accounts for the host public entity customer. However, the bill requires each solar energy project to: (1) be located on land owned, licensed, or leased by any public entity or on any suitable private property within the electric public utility's service territory; (2) have a facility size calculated based upon the

total aggregate electricity usage of the receiving public entity customer utility accounts to be served by the project; and (3) be metered separately.

The bill also provides that when an electric public utility serves the location of a solar energy project that is approved for remote net metering, the electric public utility would be responsible for reviewing and approving the interconnection of the solar energy project.

Additionally, the bill removes several provisions of law that currently regulate the implementation of remote net metering. By deleting these provisions, the bill provides that: (1) a public entity that is certified to act as a host customer would no longer be allowed to allocate credits to other public entities within the same utility service territory; (2) the owner of a solar energy project would no longer be required to pay a pro-rated public sponsor fee of \$10,000 per megawatt, up to a 10-megawatt allowance for each public entity; and (3) each participating customer would no longer be required to pay at least 50 percent of the societal benefits charge, established pursuant to section 12 of P.L.1999, c.23 (C.48:3-60).

As amended and reported, this bill is identical to the Senate Committee Substitute to Senate Bill No. 2848, which was also amended and reported by the committee on this date.

COMMITTEE AMENDMENTS:

The committee amendments provide that electric public utilities would be entitled to full and timely cost recovery for all costs incurred in the implementation of or compliance with the remote net metering program, including the full value of all credits provided to participating customers. As amended, the recovery of these costs would be subject to review by the BPU, which review is required to be consistent with the review conducted under the Community Solar Energy Program for the recovery of similar costs incurred by electric public utilities.

The committee amendments also remove a provision of the bill, which permitted more than one public entity to collectively act as a host customer for a solar energy project. The committee also amended the bill to require each solar energy project to be metered separately.

The committee amendments also provide technical corrections to the bill, including replacing references to “electric distribution company” with “electric public utility.”

ASSEMBLY OVERSIGHT, REFORM AND FEDERAL
RELATIONS COMMITTEE

STATEMENT TO

[First Reprint]

ASSEMBLY, No. 4328

with committee amendments

STATE OF NEW JERSEY

DATED: JUNE 22, 2023

The Assembly Oversight, Reform and Federal Relations Committee reports favorably and with committee amendments Assembly Bill No. 4328 (1R).

This bill, as amended by the committee, would amend current law concerning remote net metering. Under P.L.2018, c.17 (C.48:3-87.8 et al.), commonly referred to as the Clean Energy Act, the Board of Public Utilities (BPU) was required to establish an application and approval process to certify public entities to act as a host customer for remote net metering generating capacity. Thereafter, the BPU established a remote net metering program pursuant to a board order dated September 17, 2018. Under this bill, the BPU would be required to revise certain components of this program.

Notably, the bill requires the application process for remote net metering to be modeled on relevant rules and regulations adopted by the BPU for the Community Solar Energy Program. At a minimum, these regulations would determine the manner in which the value of the net metering credit is calculated. The bill also provides that electric public utilities may recover all costs incurred in the implementation of, or compliance with, the remote net metering program, including any lost margin revenues and the full value of all credits provided to participating customers. However, the recovery of these costs would be subject to review by the BPU, which review is required to be consistent with the review conducted under the Community Solar Energy Program for the recovery of similar costs incurred by electric public utilities.

Under the bill, a solar energy project with a capacity up to 10 megawatts could use the power it generates to offset the total usage of the electric public utility accounts for approved public entity customers that are within the same electric utility service area as the solar energy project. However, the bill requires each solar energy project to: (1) be located on land owned, licensed, or leased by any public entity or on any suitable private property within the electric public utility's service territory; and (2) have a facility size calculated

based upon the total aggregate electricity usage of the receiving public entity customer utility accounts to be served by the project. The bill also provides that when an electric public utility serves the location of a solar energy project that is approved for remote net metering, the electric public utility would be responsible for reviewing and approving the interconnection of the solar energy project.

Additionally, the bill removes several provisions of law that currently regulate the implementation of remote net metering. By deleting these provisions, the bill provides that: (1) a public entity that is certified to act as a host customer would no longer be allowed to allocate credits to other public entities within the same utility service territory; (2) the owner of a solar energy project would no longer be required to pay a pro-rated public sponsor fee of \$10,000 per megawatt, up to a 10-megawatt allowance for each public entity; and (3) each participating customer would no longer be required to pay at least 50 percent of the societal benefits charge, established pursuant to section 12 of P.L.1999, c.23 (C.48:3-60).

The bill would also direct the BPU to establish the goal of approving enough solar energy projects in the remote net metering program to generate an additional 75 megawatts of electric power each year. Finally, the bill would direct the BPU to provide the same financial incentives to remote net metering projects that it currently provides to certain projects in the Community Solar Energy Program.

COMMITTEE AMENDMENTS:

The committee amendments to the bill:

(1) provide that a solar energy project may distribute remote net metering credits to any number of public entities, under the remote net metering program, rather than requiring that each solar energy project be linked to a single host customer;

(2) remove the requirement that solar energy projects participating in the program be metered separately;

(3) direct the BPU to establish the goal of approving 75 megawatts of remote net metering projects each year;

(4) direct the BPU to provide the same financial incentives to remote net metering projects that it currently provides to certain projects in the Community Solar program;

(5) add a new section to the bill, which amends P.L.2021, c.169 (C.48:3-114 et al.), the law establishing the "small solar facilities incentive program," to provide that the BPU should increase its goals under that program to include 75 megawatts of remote net metering projects each year; and

(6) make other technical and clarifying changes.

SENATE COMMITTEE SUBSTITUTE FOR
SENATE BILL NO. 2848
(Third Reprint)

To the Senate:

Pursuant to Article V, Section I, Paragraph 14 of the New Jersey Constitution, I am returning Senate Committee Substitute for Senate Bill No. 2848 (Third Reprint) with my recommendations for reconsideration.

Senate Committee Substitute for Senate Bill No. 2848 (Third Reprint) would make changes to the requirements of the Remote Net Metering ("RNM") solar program, which was established by the Board of Public Utilities ("BPU") pursuant to the Solar Act of 2012, P.L.2012, c.24, and the Clean Energy Act of 2018, P.L.2018, c.17. The existing RNM program allows a "host" public entity to aggregate its electricity use across all its accounts for the purpose of determining the allowable size of a net metered solar energy system located on a property owned by the public entity with a pre-existing electric meter. Other public entities in the same electric public utility service area may serve as receiving customers for the electricity generated by the solar facility.

The bill sent to my desk would amend the remote net metering statute to: (1) allow solar facilities up to 10 Megawatts ("MW") in size; (2) allow multiple public entities to serve as host customers for a single facility; (3) allow the system size to be based on the total aggregate electricity use of all the receiving accounts (as opposed to just the host customer's accounts); and (4) allow the solar system to be placed on any land owned, leased, or licensed by a public entity or on any suitable private property within the electric distribution company's service territory. The bill would require BPU to develop an application and approval process within 120 days of the effective date of the bill.

I commend the legislative sponsors for their efforts to make solar energy more accessible to municipalities, schools, and other public entities throughout New Jersey. Expanding in-state solar energy production is a crucial part of our effort to combat climate change and create good-paying green economy jobs by reducing greenhouse gas emissions 80 percent by 2050 and ensuring that all electricity consumed in the State comes from clean energy sources by 2035. Local governments, schools, and other public entities, along with our state government, can lead by example by embracing clean energy to meet their own power needs. In addition, solar energy systems can bring significant energy cost savings to public entities, reducing the tax burden on residents of those communities.

I agree with the sponsors of the bill that certain requirements in the existing RNM program have limited the ability of municipalities and other public entities that do not own properties suitable for large-scale solar development to participate in this program, and that these limitations are contrary to our goal of equitable access to clean energy. However, I am concerned that the bill as currently drafted does not adequately consider how the RNM program will fit within the existing suite of solar programs created pursuant to the Solar Act of 2021, P.L.2021, c.169, and does not align with the land preservation values expressed in that Act. Moreover, the bill as currently drafted could prove extremely costly for New Jersey ratepayers. Accordingly, I am recommending changes to the bill to address these concerns while maintaining and clarifying elements of the bill that ensure that more public entities will be able to take advantage of the RNM program.

Specifically, I am recommending a change that clarifies that the RNM program will be part of the small solar facility incentive program created by the Solar Act of 2021 (which the BPU refers to

as an Administratively Determined Incentive or "ADI" program) with an annual capacity target of 50 MW. I am also recommending that RNM projects be limited to 5 MW and under, consistent with the rest of the ADI program, including the Community Solar program that also uses a subscriber model. In addition, because this bill removes the requirement that these projects be located on a site with existing electrical load, I am recommending including restrictions on siting on farmland, forests, and other sensitive environmental resources consistent with the restrictions established in the Solar Act of 2021 for projects over 5 MW. Finally, to ensure the program operates as intended and to avoid confusion, I am recommending changes to make clearer that a project can serve multiple public entities as subscribers without the need for a single host entity, and that electric public utilities may recover costs related to the RNM program in a manner consistent with their cost recovery under the Community Solar program.

Therefore, I herewith return Senate Committee Substitute for Senate Bill No. 2848 (Third Reprint) and recommend that it be amended as follows:

<u>Page 2, Section 1, Line 12:</u>	Delete "to certify" and insert "for remote net metered solar energy projects serving"
<u>Page 2, Section 1, Line 12:</u>	Delete "to act"
<u>Page 2, Section 1, Line 12:</u>	Delete "a"
<u>Page 2, Section 1, Line 13:</u>	Delete in its entirety
<u>Page 2, Section 1, Line 14:</u>	Delete "generating capacity" and insert "receiving customers"
<u>Page 2, Section 1, Line 36:</u>	Delete "public entity certified to act as a host customer may"
<u>Page 2, Section 1, Line 37:</u>	Delete in its entirety
<u>Page 2, Section 1, Line 38:</u>	Delete "host a" and insert "remote net metered"
<u>Page 2, Section 1, Line 38:</u>	Delete "with" and insert "shall: (1) have"
<u>Page 2, Section 1, Line 38:</u>	Delete "10" and insert "5"

Page 2, Section 1, Line 39: Delete ", to accommodate the total usage of the" and insert ";

(2) exclusively serve public entities certified by the board to act as receiving customers and located within the same electric distribution company service territory as the project;"

Page 2, Section 1, Lines 40-41: Delete in their entirety

Page 2, Section 1, Line 42: Delete "(1)" and insert "(3)"

Page 2, Section 1, Line 42: Delete "land" and insert "any property"

Page 2, Section 1, Line 43: Delete "within the electric"

Page 3, Section 1, Line 1: Delete in its entirety

Page 3, Section 1, Line 2: Delete "company's service territory"

Page 3, Section 1, Line 5: Delete "and" and insert

"(4) not be sited on:

(a) land preserved under the Green Acres Program;

(b) land designated as freshwater wetlands as defined pursuant to P.L.1987, c.156 (C.13:9B-1 et seq.), or coastal wetlands as defined pursuant to P.L.1970, c.272 (C.13:9A-1 et seq.);

(c) forested lands, as defined by the board in consultation with the Department of Environmental Protection; or

(d) prime agricultural soils and soils of Statewide importance, as identified by the United States Department of Agriculture's Natural Resources Conservation Service, which are located in Agricultural Development Areas certified by the State Agriculture Development Committee;"

Page 3, Section 1, Line 6: Delete "(2)" and insert "(5)"

Page 3, Section 1, Line 9: After "months" insert "; and

(6) be metered separately"

Page 3, Section 1, Line 13: After "to" insert "approve remote net metered solar energy projects and"

Page 3, Section 1, Line 17:

Delete "a host customer" and insert "receiving customers"

Page 3, Section 1, Line 22:

After "credit." insert "An electric public utility shall be entitled to full and timely cost recovery, including the full value of Public Remote Net Metering credits provided to customers and billing system investments, associated with Public Remote Net Metering consistent with the Community Solar provisions pursuant to P.L.2018, C.17 (C.48:3-87.11(e))."

Page 4, Section 1, Line 10:

After "(cf. P.L.2018, c.17, s.6)" insert:

"2. Section 3 of P.L.2021, c.169 (C.48:3-116) is amended to read as follows:

3. a. The board shall develop, as part of the SREC-II program, a small solar facilities incentive program to award SREC-IIs to the owners of community solar facilities, solar facilities up to 5 megawatts in size that participate in the remote net metering program established pursuant to section 6 of P.L.2018, c.17 (C.48:3-87.12), and net metered solar facilities less than five megawatts in size, as measured in direct current, or another size specified by the board. The small solar facilities incentive program shall aim to provide SREC-IIs for the generation of at least 300 megawatts of net-metered solar facilities per year [and], 150 megawatts of community solar facilities per year, and 50 megawatts of solar facilities in the remote net metering program, for each of the five years after the establishment of the SREC-II program.

b. The board shall establish eligibility criteria and an application process by which an owner of a solar electric power generation facility may apply to receive SREC-IIs pursuant to this section, until the program reaches the energy generation target established by subsection a. of this section, as determined by the board. Only solar electric power generation facilities that receive permission to operate from the appropriate regional

grid operator after the effective date of P.L.2021, c.169 (C.48:3-114 et al.), shall be eligible to receive SREC-IIs pursuant to this section, unless otherwise specified by the board. A facility shall be eligible to receive SREC-IIs pursuant to this section for a duration established by the board if it is connected to the distribution or transmission system owned or operated by a New Jersey public utility or local government unit.

c. The small solar facilities incentive program shall include criteria by which to assign an SREC-II value per megawatt-hour to a solar electric power generation facility. The criteria shall be designed by the board to incentivize the development of new solar power projects sufficiently so that the goals for solar power development in the State's Energy Master Plan are met, to further other State goals, and to incentivize projects that are especially in the public interest. The SREC-II value per megawatt-hour may include the value of the environmental and other benefits to the State provided by the facility, as determined by the board. The criteria may include, but is not limited to, consideration of the following factors:

(1) the size of the facility;

(2) the costs and revenues associated with representative facilities;

(3) for community solar facilities, the economic and demographic characteristics of the area served by the facility, including whether it is located in an overburdened community, as that term is defined in section 2 of P.L.2020, c.92 (C.13:1D-158);

(4) whether the facility is located on already developed land or the built environment;

(5) the facility's eligibility for net metering pursuant to subsection e. of section 38 of P.L.1999, c.23 (C.48:3-87) or participation

in the community solar program established pursuant to subsection f. of section 5 of P.L.2018, c.17 (C.48:3-87.11); and

(6) the rate class of the facility, as determined by the appropriate New Jersey electric public utility or local government unit.

(cf: P.L.2021, c.169, s.3)"

Page 5, Section 2, Line 19:

Delete "2." and insert "3."

[seal]

Respectfully,

/s/ Philip D. Murphy

Governor

Attest:

/s/ Parimal Garg

Chief Counsel to the Governor

Governor Murphy Takes Action on Legislation

12/21/2023

TRENTON – Today, Governor Murphy signed the following bills into law:

SCS for S-524wGR/ACS for A-1700 (Ruiz, Cunningham/Quijano, Mukherji, Atkins) - Creates Mental Health Diversion Program to divert eligible persons away from criminal justice system and into appropriate case management and mental health services

S-2818wGR/A-4394 (Turner/Kennedy) - Establishes "Working Group to Study Pricing of Motor Fuels by Retail Dealers"

SCS for S-2848wGR/A-4328 (Smith, Greenstein/DeAngelo, Karabinchak) - Revises criteria for remote net metering program established by BPU

S-3011/A-4800 (Scutari/Murphy, McKeon, Mukherji) - Concerns use of ignition interlock devices for drunk driving offenses

S-3044wGR/A-4716 (Diegnan, Greenstein/Stanley, Benson, Mukherji) - Makes supplemental appropriation of \$15 million to DEP for implementation of Electric School Bus Program

S-3153wGR/A-4548 (Codey/Kennedy, Haider, Stanley) - Authorizes schools to receive certain food waste from other schools, and provides exemption to such receiving schools for certain DEP permits, under certain conditions

S-3480wGR/A-5137 (Vitale, Pou/McKeon, Park, Murphy) – "The Small Business Health Insurance Affordability Act"; revises certain requirements for individual and small employer health benefits plans

SCS for -3756wGR/ACS for A-5363 (Scutari, Sarlo/Schaer, Wimberly) - Permits SHBP and SEHBP to award contracts for more claims administrators for each program plan; requires claims data and trend reports to be provided to certain persons

S-3839wGR/A-4061 (Greenstein, Steinhardt/Mukherji, Wirths, Space) - Requires Commissioner of Corrections to institute 10-minute shift overlap in State correctional facilities; appropriates \$13 million

S-4011wGR/A-5650 (Ruiz/Coughlin, Pintor Marin, Wimberly) - Modifies New Jersey Community-Anchored Development Program

A-5549/S-3960 (Lopez, Benson, McKnight/Vitale) - Extends eligibility for certain individuals for emergency assistance

ACS for A-5757/S-4127 (Conaway, Speight, Sumter/Gopal) - Extends certain pay parity regarding telemedicine and telehealth for one year