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STATE OF NEW JERSEY 220th LEGISLATURE

INTRODUCED MAY 26, 2022

Sponsored by: Assemblyman WAYNE P. DEANGELO District 14 (Mercer and Middlesex) Assemblyman DANIEL R. BENSON District 14 (Mercer and Middlesex) Assemblyman ROBERT J. KARABINCHAK District 18 (Middlesex)

Co-Sponsored by: Assemblymen Calabrese and Conaway

SYNOPSIS

Extends deadlines, under certain circumstances, for completion and commercial operation of certain solar electric power generation facilities.

CURRENT VERSION OF TEXT

As reported by the Assembly Science, Innovation and Technology Committee on June 9, 2022, with amendments.



(Sponsorship Updated As Of: 6/16/2022)

AN ACT concerning ¹[certain]¹ deadlines for completion and

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commercial operation of ¹certain¹ solar electric power generation 2 facilities under certain circumstances and supplementing 3 P.L.1999, c.23 (C.48:3-49 et al.). 4 5 6 BE IT ENACTED by the Senate and General Assembly of the State 7 of New Jersey: 8 9 1. a. Notwithstanding the provisions of P.L.1999, c.23 (C.48:3-10 49 et al.), P.L.2021, c.169 (C.48:3-114 et al.), or any other law, rule, regulation, or order to the contrary, a qualified solar electric 11 12 power generation facility that, due to a delay attributable to a tolling 13 event, fails, or is projected to fail, to achieve project completion or 14 commercial operation by the deadline date established by law, rule, 15 regulation, board order, incentive program registration acceptance letter, or other approval or authorization for that facility, shall 16 17 receive an automatic extension of the project completion or 18 commercial operation deadline date established for that facility. 19 The extension granted pursuant to this section shall be for a period coextensive with the duration of the delay associated with 20 the applicable tolling event. ¹<u>The delay shall be deemed to end at</u> 21 such time as the developer of the qualified solar electric power 22 23 generation facility is authorized to commence construction using 24 the dates and pursuant to an Interconnection Service Agreement 25 executed between the project sponsor, PJM Interconnection, L.L.C., and the public electric utility.¹ The automatic extension shall

26 protect the qualified solar electric power generation facility from 27 28 forfeiting the following: 29

(1) designation as "connected to the distribution system";

30 (2) eligibility to continue to participate in the applicable solar incentive program for which application was made ¹[and 31 conditional approval was granted]¹; 32

33 (3) eligibility to receive the financial incentives provided by the 34 solar incentive program for which application was made ¹[and conditional approval was granted]¹; and 35

(4) any other benefit or incentive available to a qualified solar 36 electric power generation facility conditionally approved to 37 38 participate in the solar incentive program.

39 To be eligible to receive the automatic extension b. (1)40 provided by this section, the project sponsor of a qualified solar electric power generation facility shall certify in writing ¹, and 41 provide supporting documentation,¹ to the board of the occurrence 42 of 1 [a] <u>the</u>¹ tolling event. The certification shall describe the 43 tolling event ¹, the date of application to PJM Interconnection, 44

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 June 2, 2022. ²Assembly AST committee amendments adopted June 9, 2022.

1 <u>L.L.C.,</u>¹ and the ¹[nature and]¹ anticipated duration of the delay 2 associated with the ¹[event] tolling¹.

(2) Within 45 days after receipt of a certification from a project 3 4 sponsor of the occurrence of a tolling event pursuant to paragraph 5 (1) of this subsection, the board shall issue an unconditional order 6 approving an automatic extension of the project deadline date or 7 commercial operation deadline date established for the facility, 8 whether established by law, rule, regulation, board order, incentive 9 program registration acceptance letter, or other approval or 10 authorization for that facility.

11 The order shall be issued by the board on a non-discretionary 12 basis, and no factual investigation or hearing by the board shall be 13 conducted. The order shall acknowledge receipt of certification of 14 the tolling event, extend the previously established project 15 completion or commercial operation deadline date for the facility by 16 an amount of time coextensive with the duration of the tolling 17 event, and provide such other and further relief as the board may 18 deem appropriate. The board order shall be effective as of the date 19 of the certification of the tolling event.

c. A project sponsor shall have a continuing obligation to
apprise the board, on at least a quarterly basis, regarding the nature
and extent of the tolling event and its anticipated duration, which
requirement may be satisfied by including such information in the
quarterly milestone reporting form required to be submitted to the
board for the qualified solar electric power generation facility.

d. ¹[The project sponsor of a qualified solar electric power generation facility that is granted relief under this section due to the occurrence of a tolling event shall use commercially reasonable efforts to timely satisfy the remaining requirements of the applicable solar incentive program that are within the project sponsor's control and whose performance has not been delayed by the tolling event.

e.]¹ Upon conclusion of the tolling event, the project sponsor 33 shall timely resume and complete development of those aspects of 34 35 the facility that were delayed by the tolling event. The project sponsor shall complete the facility and commence commercial 36 operation within the ¹[longer of: (1) six months following the 37 38 conclusion of the tolling event; or (2) the time remaining under the 39 terms of the original conditional approval authorized prior to the 40 occurrence of the tolling event] timeframe permitted by the 41 Interconnection Service Agreement executed between the project 42 sponsor, PJM Interconnection, L.L.C., and the public electric utility¹. 43

44 1 [f.] <u>e.</u>¹ As used in this section:

45 "Project sponsor" means a municipality, business entity, person,
46 property owner, developer, redeveloper, or other interest that is the
47 party pursuing the development and implementation of a qualified

solar electric power generation facility under a solar incentive
 program administered by the board.

"Qualified solar electric power generation facility" or "facility" 3 means a solar electric power generation facility for which a project 4 sponsor has submitted ², on or before August 28, 2021,² an 5 application for conditional approval to participate in a solar 6 7 incentive program ¹pursuant to subsection t. of section 38 of 8 <u>P.L.1999</u>, c.23 (C.48:3-87)¹, and includes a facility that has received conditional approval from the board to participate in the 9 solar incentive program ¹pursuant to subsection t. of section 38 of 10 P.L.1999, c.23 $(C.48:3-87)^{1}$ for which application was made. 11

²["Solar incentive program" means a program administered by the board which awards ¹[SRECs,]¹ transition renewable energy certificates ¹[, SREC-IIs, or other solar renewable energy certificates capable of counting towards the renewable energy portfolio standard of an electric power supplier or basic generation service provider pursuant to section 38 of P.L.1999, c.23 (C.48:3-87)]¹.]²

19 "Tolling event" means ¹[the action or inaction of a third party, 20 or occurrence or circumstance that delays the timely completion or 21 commercial operation of a qualified solar electric power generation 22 facility, that is not within the reasonable control of the project 23 sponsor of the qualified solar electric power generation facility, and 24 shall be limited solely to the failure of an electric public utility or 25 PJM Interconnection, L.L.C. to approve an application for 26 interconnection with the utility distribution system or interstate 27 transmission system, or to negotiate, execute, and deliver any other 28 engineering or other studies, agreements, or approvals required by 29 the electric public utility or PJM Interconnection, L.L.C. as a 30 prerequisite to project interconnection or commercial operation, 31 within such time period as would allow a project sponsor to achieve 32 commercial operation of a qualified solar electric power generation 33 facility pursuant to an award, authorization, or conditional approval 34 under a solar incentive program] any action or inaction of the PJM Interconnection, L.L.C., or an applicable electric public utility, any 35 moratorium in new applications declared by the PJM 36 37 Interconnection, L.L.C., or an applicable electric public utility, any 38 deferral in processing of existing applications by the PJM 39 Interconnection, L.L.C., or an applicable electric public utility, any new application process, study, report, or analysis established by 40 the PJM Interconnection, L.L.C., or an applicable electric public 41 utility, to approve and contract a project, ²[or]² the deferral to 42 43 negotiate, execute, and deliver any other engineering or other 44 studies, agreements, or approvals required by the PJM 45 Interconnection, L.L.C., or an applicable electric public utility, as a 46 prerequisite to project interconnection or commercial operation of a 47 qualified solar electric power generation facility, ²[that] or any

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1 undue delay in the provision of a permit or approval required by a local government unit, including a local land use board, caused by 2 3 the action or inaction of the local government unit, which² delays 4 the timely completion or commercial operation of a qualified solar 5 electric power generation facility¹. ²["Transition renewable energy certificate" means ¹[the same as 6 the term is defined in in section 2 of P.L.2021, c.201 (C.34:1B-7 375)] a certificate issued by the Board of Public Utilities or its 8 9 designee, under the solar energy transition incentive program, which is designed to transition between the solar renewable energy 10 11 certificate program and a solar successor incentive program to be 12 developed by the Board of Public Utilities pursuant to P.L.2018, <u>c.17 (C.48:3-87.8 et al.)</u>¹.]² 13 14 15 2. This act shall take effect immediately.