

[First Reprint]

SENATE, No. 3123

STATE OF NEW JERSEY
220th LEGISLATURE

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Sponsored by:

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District 17 (Middlesex and Somerset)

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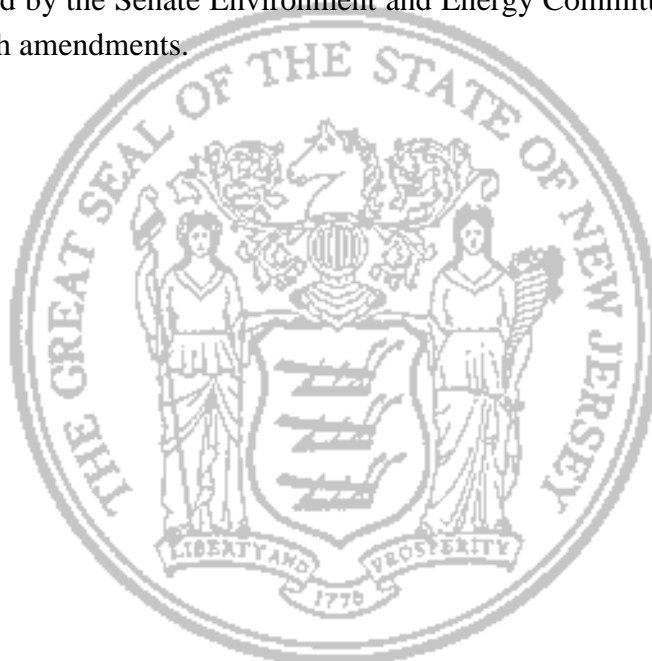
Senators Gopal and Ruiz

SYNOPSIS

Revises goal for annual capacity of solar energy projects to be developed under Community Solar Energy Program.

CURRENT VERSION OF TEXT

As reported by the Senate Environment and Energy Committee on February 16, 2023, with amendments.



(Sponsorship Updated As Of: 5/8/2023)

1 AN ACT concerning the Community Solar Energy Program and
2 amending P.L.2018, c.17.

3

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

6

7 1. Section 5 of P.L.2018, c.17 (C.48:3-87.11) is amended to read
8 as follows:

9 5. a. No later than 210 days after the date of enactment of
10 P.L.2018, c.17 (C.48:3-87.8 et al.), the Board of Public Utilities
11 shall adopt, pursuant to the "Administrative Procedure Act,"
12 P.L.1968, c.410 (C.52:14B-1 et seq.), rules and regulations
13 establishing a "Community Solar Energy Pilot Program" to permit
14 customers of an electric public utility to participate in a solar energy
15 project that is remotely located from their properties but is within
16 their electric public utility service territory to allow for a credit to
17 the customer's utility bill equal to the electricity generated that is
18 attributed to the customer's participation in the solar energy project.

19 b. The rules and regulations developed by the board shall
20 establish:

21 (1) a capacity limit for individual solar energy projects to a
22 maximum of five megawatts per project;

23 (2) an annual capacity limit for all solar energy projects under
24 the pilot program;

25 (3) geographic limitations for solar energy projects and
26 participating customers;

27 (4) a minimum number of participating customers for each solar
28 energy project;

29 (5) the value of the credit on each participating customer's bill;

30 (6) standards to limit the land use impact of a solar energy
31 project as required in subsection r. of section 38 of P.L.1999, c.23
32 (C.48:3-87);

33 (7) the provision of access to solar energy projects for low and
34 moderate income customers;

35 (8) standards to ensure the ability of residential and commercial
36 customers to participate in solar energy projects, including
37 residential customers in multifamily housing;

38 (9) standards for connection to the distribution system of an
39 electric public utility; and

40 (10) provisions to minimize impacts to the distribution system
41 of an electric public utility.

42 c. The board shall make available on its Internet website
43 information on solar energy projects whose owners are seeking
44 participants.

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:

¹Senate SEN committee amendments adopted February 16, 2023.

1 d. The board shall establish standards and an application
2 process for owners of solar energy projects who wish to be included
3 in the Community Solar Energy Pilot Program. The standards for
4 the Community Solar Energy Pilot Program shall include, but need
5 not be limited to, a verification process to ensure that the solar
6 energy projects are producing an amount of energy that is greater
7 than or equal to the amount of energy that is being credited to its
8 participating customer's electric utility bills pursuant to subsection
9 b. of this section, and consumer protection measures. Projects
10 approved by the board shall have at least two participating
11 customers.

12 The board may restrict qualified solar energy projects to those
13 located on brownfields, landfills, areas designated in need of
14 redevelopment, in underserved communities, or on commercial
15 rooftops.

16 e. Subject to review by the board, an electric public utility shall
17 be entitled to full and timely cost recovery for all costs incurred in
18 implementation and compliance with this section.

19 f. No later than 36 months after adoption of the rules and
20 regulations required pursuant to subsection b. of this section, the
21 board shall adopt rules and regulations, pursuant to the
22 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et
23 seq.), to convert the Community Solar Energy Pilot Program to a
24 permanent program. The board shall adopt rules and regulations for
25 the permanent program that set forth standards for projects owned
26 by electric public utilities, special purpose entities, and nonprofit
27 entities. The rules and regulations shall also:

28 (1) limit the capacity of each solar energy project to a maximum
29 of five megawatts;

30 (2) establish a goal for the development of at least **[50]** ¹**[500]**
31 225¹ megawatts of solar energy projects ¹prior to June 1, 2024, an
32 additional 225 megawatts prior to June 1, 2025, and an additional
33 150 megawatts¹ per year ¹thereafter¹ , taking into account any
34 changes to the SREC program;

35 (3) set geographic limitations for solar energy projects and
36 participating customers;

37 (4) provide for a minimum number of participating customers
38 for each solar energy project;

39 (5) require the provision of access to solar energy projects for
40 low and moderate income customers;

41 (6) establish standards to ensure the ability of residential and
42 commercial customers to participate in solar energy projects,
43 including residential customers in multifamily housing;

44 (7) establish a method for determining the value of the credit on
45 each participating customer's bill;

46 (8) establish timeframes for the credit available to the customer;

47 (9) establish standards and methods to verify solar electric
48 energy generation on a monthly basis for a solar energy project;

1 (10) establish standards consistent with the land use provisions
2 for solar energy projects as provided in subsections r., s., and t. of
3 section 38 of P.L.1999, c.23 (C.48:3-87);

4 (11) establish standards, fees, and uniform procedures for solar
5 energy projects to be connected to the distribution system of an
6 electric public utility;

7 (12) minimize impacts to the distribution system of an electric
8 public utility;

9 (13) require monthly reporting requirements for the operators of
10 solar energy projects to the electric public utility, project customers,
11 and the board;

12 (14) require reporting by the electric public utility to the
13 operator of a solar energy project on the value of credits to the
14 participating customer's bills; ¹**[and]**¹

15 (15) require transferability, portability, and buy-out provisions
16 for customers who participate in community solar energy projects ¹;
17 and

18 (16) establish requirements and standards that provide for the
19 auditing and enforcement of a solar energy project's compliance
20 with the provisions of this section and the rules and regulations
21 adopted pursuant thereto, including the project's compliance with
22 commitments related to providing access to solar energy projects to
23 low- and moderate-income customers and bill crediting¹ .

24 g. As used in this section:

25 "Solar energy project" means a system containing one or more
26 solar panels and associated equipment.

27 "Solar panel" means an elevated panel or plate, or a canopy or
28 array thereof, that captures and converts solar radiation to produce
29 electric power, and is approved by the board to be included in the
30 Community Solar Energy Pilot Program.

31 "Solar power" includes flat plate, focusing solar collectors, or
32 photovoltaic solar cells and excludes the base or foundation of the
33 panel, plate, canopy, or array.

34 (cf: P.L.2018, c.17, s.5)

35

36 2. This act shall take effect immediately.