ASSEMBLY, No. 5706

STATE OF NEW JERSEY

222nd LEGISLATURE

INTRODUCED OCTOBER 22, 2026

Sponsored by:
Assemblyman WILLIAM F. MOEN, JR.
District 5 (Camden and Gloucester)

SYNOPSIS

Requires NJT and BPU to establish railroad right-of-way solar energy pilot program.

CURRENT VERSION OF TEXT

As introduced.

AN ACT requiring the New Jersey Transit Corporation and the Board of Public Utilities to establish a railroad right-of-way solar energy pilot program.

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

1. a. As used in this section:

"Board" means the New Jersey Board of Public Utilities or a successor agency.

"Corporation" means the New Jersey Transit Corporation.

"Electric public utility" means a public utility, as that term is defined in R.S.48:2-13, that transmits and distributes electricity to end users within the State.

"Pilot program" means the "Railroad Right-of-way Solar Energy Pilot Program" established pursuant to this section.

"Railroad right-of-way" means the roadbed of a line of railroad, not exceeding 100 feet in width, as measured horizontally at the elevation of the base of the rail, including the full embankment or excavated area, with slopes, slope ditches, retaining walls, or foundations necessary to provide a width not to exceed 100 feet at the base of the rail. "Railroad right-of-way" does not include tracks, appurtenances, ballast, or any structures or buildings erected thereon.

"Railroad right-of-way solar energy project" or "project" means energy generation facilities, structures, and equipment used to produce electric power from solar photovoltaic panels located in railroad rights-of-way that allow for the continued simultaneous use of the area below and adjacent to the panels.

b. Within 180 days after the effective date of this section, the corporation, in consultation with the board, shall adopt rules and regulations, pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), to establish a pilot program, to be known as the "Railroad Right-of-way Solar Energy Pilot Program," to permit the construction, installation, and operation of railroad right-of-way solar energy projects that are connected to an electric public utility's distribution and transmission system and located in a railroad right-of-way owned and operated by the corporation At a minimum, the rules and regulations adopted by the corporation, in consultation with the board, pursuant to this subsection, shall establish:

(1) a capacity limit for individual projects developed under the pilot program;

(2) annual targets for the total capacity of projects approved under the pilot program;

(3) financial incentives available to projects approved under the pilot program;

(4) an application process for entities to apply to participate in the pilot program, including the process to apply for and receive any financial incentives developed pursuant to paragraph (3) of this subsection; and

(5) criteria to guide the corporation's and the board's evaluation of an application submitted pursuant to paragraph (4) of this subsection, including, but not limited to, a requirement that an entity has obtained all necessary permits and other approvals that may be required pursuant to any applicable federal, State, or local law, rule, regulation, or ordinance prior to constructing the project.

c. An entity proposing a railroad right-of-way solar energy project shall apply to the corporation and the board before constructing, installing, or operating the project. The corporation, in consultation with the board, shall review and approve all projects under the pilot program, provided that, at a minimum, the project meets the criteria developed pursuant to paragraph (5) of subsection b. of this section.

d. (1) The pilot program shall continue for 36 months after the adoption of the rules and regulations required pursuant to subsection b. of this section. However, the corporation may extend the pilot program by an additional period determined by the corporation, in consultation with the board, if the corporation and the board determine that an extension is necessary to adequately evaluate the performance of the projects approved under the pilot program.

(2) Within six months after the conclusion of the pilot program, the corporation, in consultation with the board, shall prepare and submit a report to the Governor and, pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1), the Legislature, containing the following information:

(a) the number, location, status, and generating capacity of each project proposed, approved, constructed, and placed into operation under the pilot program;

(b) the amount of electricity generated by each operational project and an evaluation of a project's performance and reliability;

(c) the use or disposition of the electricity generated by a project;

(d) the cost of developing and operating a project, the amount and source of any financial incentives provided to a project, interconnection costs for each project, and any revenue, lease payments, or savings or revenue realized by the corporation;

(e) any effects on railroad safety, operations, maintenance, emergency access, or the continued use of the railroad right-of-way;

(f) any engineering, permitting, interconnection, financial, regulatory, or other barriers encountered;

(g) the environmental and community benefits associated with each project; and

(h) recommendations concerning whether the pilot program should be continued, expanded, modified, or made permanent, including any recommended legislative or regulatory changes.

2. This act shall take effect immediately and shall expire upon the submission of the report required pursuant to paragraph (2) of subsection d. of this act.

STATEMENT

This bill requires the New Jersey Transit Corporation (NJT) and the Board of Public Utilities (BPU) to establish a three-year pilot program, to be known as the "Railroad Right-of-way Solar Energy Pilot Program," to permit the construction, installation, and operation of railroad right-of-way solar energy projects (projects) that are connected to an electric public utility's distribution and transmission system and located in a railroad right-of-way owned and operated by NJT. Under the bill, NJT, in consultation with the BPU, is required to adopt rules and regulations establishing the pilot program, including, but not limited to, individual project capacity limits and overall project capacity targets, financial incentives, an application process for the pilot program, and criteria to guide NJT's and the BPU's review and approval of project applications submitted under the pilot program. The bill also provides for the potential extension of the pilot program and requires NJT, in consultation with the BPU, to submit a report to the Governor and the Legislature containing certain information regarding pilot program operations and performance and recommendations on whether to continue, expand, or modify the pilot program or on whether to convert the pilot program to a permanent program.