

CHAPTER 254

AN ACT concerning electricity sold to recovered materials manufacturing facilities, and amending P.L.2022, c.110.

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

1. Section 1 of P.L.2022, c.110 (C.48:3-87.14) is amended to read as follows:

C.48:3-87.14 Definitions; recycled, recovered materials manufacturing facility, exemption from renewable energy portfolio standards obligations.

1. a. As used in this section:

"Recovered materials" means the same as the term is defined in 40 C.F.R. s.247.3.

"Recovered materials manufacturing facility" means a facility that: (1) received service under an electric public utility rate that applied only to the owner of the facility on January 1, 2004; (2) manufactures products made from recovered materials, provided, however, that not less than 50 percent of the content of such products produced in this State meet the definition of recovered materials; and (3) has in place a collective bargaining agreement.

"Recycled materials" means any item or commodity which is manufactured or produced in whole or in part from post-consumer waste material.

"Recycled materials manufacturing facility" means a facility that: (1) receives service under an electric public utility rate at or above 110 kilovolts delivery; (2) manufactures products made from recycled materials, provided that not less than 90 percent of the content of such products manufactured in the State meet the definition of recycled materials; and (3) employs not less than 200 employees in the State.

b. (1) Notwithstanding the provisions of section 38 of P.L.1999, c.23 (C.48:3-87), or any rule, regulation, or board order adopted pursuant thereto, to the contrary, an electric power supplier or basic generation service provider shall be exempt from all renewable energy portfolio standards obligations, including Class I RECs, Class II RECs, SRECs, ORECs, or any other RECs, established pursuant to section 38 of P.L.1999, c.23 (C.48:3-87) or any other subsequent law, and any rule, regulation, or board order adopted pursuant thereto, for all kilowatt hours of electricity supplied by such electric power supplier or basic generation service provider to a recycled materials manufacturing facility or recovered materials manufacturing facility.

A recycled materials manufacturing facility or recovered materials manufacturing facility shall not be required to pay any charges designed to offset any renewable energy portfolio standards obligation of its electric power supplier or basic generation service provider, including Class I RECs, Class II RECs, SRECs, ORECs, or any other RECS.

(2) For each electric power supplier or basic generation service provider requesting the exemption established by paragraph (1) of this subsection, the kilowatt hours of electricity sold to recycled materials manufacturing facilities and recovered materials manufacturing facilities shall be subtracted from the total kilowatt hours of electricity supplied to all customers in the State by that electric power supplier or basic generation service provider during that energy year such that the reduced total retail sales number shall be used to calculate the renewable energy portfolio standards obligation for each energy year.

(3) Each recycled materials manufacturing facility and recovered materials manufacturing facility shall provide its electric power supplier or basic generation provider with (a) documentation establishing that it meets the definition of a recycled materials manufacturing facility or recovered materials manufacturing facility, as appropriate, and (b) a sworn affidavit which certifies the number of kilowatt hours of electricity that the electric power supplier or basic

generation provider sold to that recycled materials manufacturing facility or recovered materials manufacturing facility, as appropriate during that energy year.

(4) At the end of each energy year, each electric power supplier or basic generation supplier shall (a) submit to the board the sworn affidavit received from each recycled materials manufacturing facility and recovered materials manufacturing facility pursuant to paragraph (3) of this subsection, and (b) provide this information on the Retail Sales Adjustment Form that every electric power supplier and basic generation provider is required to submit to the board at the end of each energy year.

(5) The provisions of this subsection shall apply to all electricity sold to recycled materials manufacturing facilities beginning on January 1, 2022.

(6) The provisions of this subsection shall apply to all electricity sold to recovered materials manufacturing facilities beginning on January 1, 2024.

Approved January 8, 2024.