

# SENATE BUDGET AND APPROPRIATIONS COMMITTEE

## STATEMENT TO

[Third Reprint]

## **SENATE, No. 2732**

with committee amendments

# **STATE OF NEW JERSEY**

DATED: JUNE 27, 2023

The Senate Budget and Appropriations Committee reports favorably and with committee amendments Senate Bill No. 2732 (3R).

As amended by the committee, this bill provides that deadlines for the completion or commercial operation of certain solar electric power generation facilities may be extended as a result of delays in the approval and contracting process by the PJM Interconnection, L.L.C. (PJM).

Specifically, the bill would apply to solar electric power generation facilities that have, as of the effective date of the bill, received by board order conditional certification to participate in a solar incentive program pursuant to subsection t. of section 38 of P.L.1999, c.23 (C.48:3-87). The bill would automatically extend the project completion or commercial operation deadline dates established for a solar electric power generation facility when the facility fails, or is projected to fail, to achieve project completion or commercial operation by certain deadline dates, provided that the delay is due to a tolling event. The extension granted by the bill would be for a period that is two years beyond what otherwise would be the deadline for the qualified solar electric power generation facility to achieve commercial operation pursuant to the applicable board order granting conditional certification as connected to the distribution system, including any extensions previously authorized by law, rule, regulation, or applicable board order. As defined in the bill, a “tolling event” means any action or inaction of the PJM Interconnection, L.L.C., any moratorium in new applications declared by the PJM Interconnection, L.L.C., any deferral in processing of existing applications by the PJM Interconnection, L.L.C., any new application process, study, report, or analysis established by the PJM Interconnection, L.L.C., to approve and contract a project, the deferral to negotiate, execute, and deliver any other engineering or other studies, agreements, or approvals required by the PJM Interconnection, L.L.C., as a prerequisite to project interconnection or commercial operation of a qualified solar electric power generation facility.

To receive the extension provided by the bill, a project sponsor would be required to certify in writing, and provide supporting documentation, to the Board of Public Utilities (BPU) describing the tolling event and anticipated duration of the delay associated with the tolling event. Within 45 days after receipt of this certification, the bill would require the BPU to issue an unconditional order approving an automatic extension of the project deadline date or commercial operation deadline date established for that facility. The order would be issued by the BPU on a non-discretionary basis, and no factual investigation or hearing by the BPU would be conducted. The order would extend the previously established project completion or commercial operation deadline date for the facility by an amount of time as provided by the bill, and may provide such other and further relief as the BPU may deem appropriate.

Under the bill, a project sponsor would have a continuing obligation to apprise the BPU, on at least a quarterly basis, regarding the nature and extent of the tolling event and its anticipated duration. The project sponsor would be required to complete the facility and commence commercial operation within the time period provided by the applicable board order and this section.

As amended and reported by the committee, this bill is identical to Assembly Bill No. 4089 (4R) as also amended and reported by the committee.

#### COMMITTEE AMENDMENTS:

The committee amendments to the bill delete language that would have provided a full solar incentive to a facility receiving an extension pursuant to the bill that achieves commercial operation on or prior to December 31, 2026.

#### FISCAL IMPACT:

Fiscal information for this bill currently unavailable.