

# SENATE, No. 2739

## STATE OF NEW JERSEY 213th LEGISLATURE

INTRODUCED APRIL 27, 2009

**Sponsored by:**

**Senator BOB SMITH**

**District 17 (Middlesex and Somerset)**

**Senator STEVEN V. OROHO**

**District 24 (Sussex, Hunterdon and Morris)**

**SYNOPSIS**

Requires BPU to increase credit provided when issuing Solar Renewable Energy Certificates to owners using solar equipment manufactured in NJ.

**CURRENT VERSION OF TEXT**

As introduced.



1 AN ACT concerning solar renewable energy and amending and  
2 supplementing P.L.1999, c.23.

3  
4 **BE IT ENACTED** *by the Senate and General Assembly of the State*  
5 *of New Jersey:*

6  
7 1. Section 3 of P.L.1999, c.23 (C.48:3-51) is amended to read as  
8 follows:

9 3. As used in this act:

10 "Assignee" means a person to which an electric public utility or  
11 another assignee assigns, sells or transfers, other than as security,  
12 all or a portion of its right to or interest in bondable transition  
13 property. Except as specifically provided in **[this act]** P.L.1999,  
14 c.23 (C.48:3-49 et al.), an assignee shall not be subject to the public  
15 utility requirements of Title 48 or any rules or regulations adopted  
16 pursuant thereto;

17 "Basic gas supply service" means gas supply service that is  
18 provided to any customer that has not chosen an alternative gas  
19 supplier, whether or not the customer has received offers as to  
20 competitive supply options, including, but not limited to, any  
21 customer that cannot obtain such service for any reason, including  
22 non-payment for services. Basic gas supply service is not a  
23 competitive service and shall be fully regulated by the board;

24 "Basic generation service" means electric generation service that  
25 is provided, pursuant to section 9 of **[this act]** P.L.1999, c.23  
26 (C.48:3-57), to any customer that has not chosen an alternative  
27 electric power supplier, whether or not the customer has received  
28 offers as to competitive supply options, including, but not limited  
29 to, any customer that cannot obtain such service from an electric  
30 power supplier for any reason, including non-payment for services.  
31 Basic generation service is not a competitive service and shall be  
32 fully regulated by the board;

33 "Basic generation service transition costs" means the amount by  
34 which the payments by an electric public utility for the procurement  
35 of power for basic generation service and related ancillary and  
36 administrative costs exceeds the net revenues from the basic  
37 generation service charge established by the board pursuant to  
38 section 9 of P.L.1999, c.23 (C.48:3-57) during the transition period,  
39 together with interest on the balance at the board-approved rate, that  
40 is reflected in a deferred balance account approved by the board in  
41 an order addressing the electric public utility's unbundled rates,  
42 stranded costs, and restructuring filings pursuant to P.L.1999, c.23  
43 (C.48:3-49 et al.). Basic generation service transition costs shall  
44 include, but are not limited to, costs of purchases from the spot

**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.

1 market, bilateral contracts, contracts with non-utility generators,  
2 parting contracts with the purchaser of the electric public utility's  
3 divested generation assets, short-term advance purchases, and  
4 financial instruments such as hedging, forward contracts, and  
5 options. Basic generation service transition costs shall also include  
6 the payments by an electric public utility pursuant to a competitive  
7 procurement process for basic generation service supply during the  
8 transition period, and costs of any such process used to procure the  
9 basic generation service supply;

10 "Board" means the New Jersey Board of Public Utilities or any  
11 successor agency;

12 "Bondable stranded costs" means any stranded costs or basic  
13 generation service transition costs of an electric public utility  
14 approved by the board for recovery pursuant to the provisions of  
15 **[this act]** P.L.1999, c.23 (C.48:3-49 et al.), together with, as  
16 approved by the board: (1) the cost of retiring existing debt or  
17 equity capital of the electric public utility, including accrued  
18 interest, premium and other fees, costs and charges relating thereto,  
19 with the proceeds of the financing of bondable transition property;  
20 (2) if requested by an electric public utility in its application for a  
21 bondable stranded costs rate order, federal, State and local tax  
22 liabilities associated with stranded costs recovery or basic  
23 generation service transition cost recovery or the transfer or  
24 financing of such property or both, including taxes, whose recovery  
25 period is modified by the effect of a stranded costs recovery order, a  
26 bondable stranded costs rate order or both; and (3) the costs  
27 incurred to issue, service or refinance transition bonds, including  
28 interest, acquisition or redemption premium, and other financing  
29 costs, whether paid upon issuance or over the life of the transition  
30 bonds, including, but not limited to, credit enhancements, service  
31 charges, overcollateralization, interest rate cap, swap or collar, yield  
32 maintenance, maturity guarantee or other hedging agreements,  
33 equity investments, operating costs and other related fees, costs and  
34 charges, or to assign, sell or otherwise transfer bondable transition  
35 property;

36 "Bondable stranded costs rate order" means one or more  
37 irrevocable written orders issued by the board pursuant to **[this act]**  
38 P.L.1999, c.23 (C.48:3-49 et al.) which determines the amount of  
39 bondable stranded costs and the initial amount of transition bond  
40 charges authorized to be imposed to recover such bondable stranded  
41 costs, including the costs to be financed from the proceeds of the  
42 transition bonds, as well as on-going costs associated with servicing  
43 and credit enhancing the transition bonds, and provides the electric  
44 public utility specific authority to issue or cause to be issued,  
45 directly or indirectly, transition bonds through a financing entity  
46 and related matters as provided in **[this act]** P.L.1999, c.23, which  
47 order shall become effective immediately upon the written consent

1 of the related electric public utility to such order as provided in  
2 **[this act]** P.L.1999, c.23;

3 "Bondable transition property" means the property consisting of  
4 the irrevocable right to charge, collect and receive, and be paid  
5 from collections of, transition bond charges in the amount necessary  
6 to provide for the full recovery of bondable stranded costs which  
7 are determined to be recoverable in a bondable stranded costs rate  
8 order, all rights of the related electric public utility under such  
9 bondable stranded costs rate order including, without limitation, all  
10 rights to obtain periodic adjustments of the related transition bond  
11 charges pursuant to subsection b. of section 15 of **[this act]**  
12 P.L.1999, c.23 (C.48:3-64), and all revenues, collections, payments,  
13 money and proceeds arising under, or with respect to, all of the  
14 foregoing;

15 "Broker" means a duly licensed electric power supplier that  
16 assumes the contractual and legal responsibility for the sale of  
17 electric generation service, transmission or other services to end-use  
18 retail customers, but does not take title to any of the power sold, or  
19 a duly licensed gas supplier that assumes the contractual and legal  
20 obligation to provide gas supply service to end-use retail customers,  
21 but does not take title to the gas;

22 "Buydown" means an arrangement or arrangements involving the  
23 buyer and seller in a given power purchase contract and, in some  
24 cases third parties, for consideration to be given by the buyer in  
25 order to effectuate a reduction in the pricing, or the restructuring of  
26 other terms to reduce the overall cost of the power contract, for the  
27 remaining succeeding period of the purchased power arrangement  
28 or arrangements;

29 "Buyout" means an arrangement or arrangements involving the  
30 buyer and seller in a given power purchase contract and, in some  
31 cases third parties, for consideration to be given by the buyer in  
32 order to effectuate a termination of such power purchase contract;

33 "Class I renewable energy" means electric energy produced from  
34 solar technologies, photovoltaic technologies, wind energy, fuel  
35 cells, geothermal technologies, wave or tidal action, and methane  
36 gas from landfills or a biomass facility, provided that the biomass is  
37 cultivated and harvested in a sustainable manner;

38 "Class II renewable energy" means electric energy produced at a  
39 resource recovery facility or hydropower facility, provided that  
40 such facility is located where retail competition is permitted and  
41 provided further that the Commissioner of Environmental  
42 Protection has determined that such facility meets the highest  
43 environmental standards and minimizes any impacts to the  
44 environment and local communities;

45 "Competitive service" means any service offered by an electric  
46 public utility or a gas public utility that the board determines to be  
47 competitive pursuant to section 8 or section 10 of **[this act]**

1 P.L.1999, c.23 (C.48:3-56 or C.48:3-58) or that is not regulated by  
2 the board;

3 "Comprehensive resource analysis" means an analysis including,  
4 but not limited to, an assessment of existing market barriers to the  
5 implementation of energy efficiency and renewable technologies  
6 that are not or cannot be delivered to customers through a  
7 competitive marketplace;

8 "Customer" means any person that is an end user and is  
9 connected to any part of the transmission and distribution system  
10 within an electric public utility's service territory or a gas public  
11 utility's service territory within this State;

12 "Customer account service" means metering, billing, or such  
13 other administrative activity associated with maintaining a customer  
14 account;

15 "Demand side management" means the management of customer  
16 demand for energy service through the implementation of cost-  
17 effective energy efficiency technologies, including, but not limited  
18 to, installed conservation, load management and energy efficiency  
19 measures on and in the residential, commercial, industrial,  
20 institutional and governmental premises and facilities in this State;

21 "Electric generation service" means the provision of retail  
22 electric energy and capacity which is generated off-site from the  
23 location at which the consumption of such electric energy and  
24 capacity is metered for retail billing purposes, including agreements  
25 and arrangements related thereto;

26 "Electric power generator" means an entity that proposes to  
27 construct, own, lease or operate, or currently owns, leases or  
28 operates, an electric power production facility that will sell or does  
29 sell at least 90 percent of its output, either directly or through a  
30 marketer, to a customer or customers located at sites that are not on  
31 or contiguous to the site on which the facility will be located or is  
32 located. The designation of an entity as an electric power generator  
33 for the purposes of **[this act]** P.L.1999, c.23 (C.48:3-49 et al.) shall  
34 not, in and of itself, affect the entity's status as an exempt wholesale  
35 generator under the Public Utility Holding Company Act of 1935,  
36 15 U.S.C. s.79 et seq.;

37 "Electric power supplier" means a person or entity that is duly  
38 licensed pursuant to the provisions of **[this act]** P.L.1999, c.23  
39 (C.48:3-49 et al.) to offer and to assume the contractual and legal  
40 responsibility to provide electric generation service to retail  
41 customers, and includes load serving entities, marketers and brokers  
42 that offer or provide electric generation service to retail customers.  
43 The term excludes an electric public utility that provides electric  
44 generation service only as a basic generation service pursuant to  
45 section 9 of **[this act]** P.L.1999, c.23 (C.48:3-57);

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

1 "Electric related service" means a service that is directly related  
2 to the consumption of electricity by an end user, including, but not  
3 limited to, the installation of demand side management measures at  
4 the end user's premises, the maintenance, repair or replacement of  
5 appliances, lighting, motors or other energy-consuming devices at  
6 the end user's premises, and the provision of energy consumption  
7 measurement and billing services;

8 "Electronic signature" means an electronic sound, symbol or  
9 process, attached to, or logically associated with, a contract or other  
10 record, and executed or adopted by a person with the intent to sign  
11 the record;

12 "Energy agent" means a person that is duly registered pursuant to  
13 the provisions of **[this act]** P.L.1999, c.23 (C.48:3-49 et al.), that  
14 arranges the sale of retail electricity or electric related services or  
15 retail gas supply or gas related services between government  
16 aggregators or private aggregators and electric power suppliers or  
17 gas suppliers, but does not take title to the electric or gas sold;

18 "Energy consumer" means a business or residential consumer of  
19 electric generation service or gas supply service located within the  
20 territorial jurisdiction of a government aggregator;

21 "Financing entity" means an electric public utility, a special  
22 purpose entity, or any other assignee of bondable transition  
23 property, which issues transition bonds. Except as specifically  
24 provided in **[this act]** P.L.1999, c.23 (C.48:3-49 et al.), a financing  
25 entity which is not itself an electric public utility shall not be  
26 subject to the public utility requirements of Title 48 or any rules or  
27 regulations adopted pursuant thereto;

28 "Gas public utility" means a public utility, as that term is defined  
29 in R.S.48:2-13, that distributes gas to end users within this State;

30 "Gas related service" means a service that is directly related to  
31 the consumption of gas by an end user, including, but not limited to,  
32 the installation of demand side management measures at the end  
33 user's premises, the maintenance, repair or replacement of  
34 appliances or other energy-consuming devices at the end user's  
35 premises, and the provision of energy consumption measurement  
36 and billing services;

37 "Gas supplier" means a person that is duly licensed pursuant to  
38 the provisions of **[this act]** P.L.1999, c.23 (C.48:3-49 et al.) to offer  
39 and assume the contractual and legal obligation to provide gas  
40 supply service to retail customers, and includes, but is not limited  
41 to, marketers and brokers. A non-public utility affiliate of a public  
42 utility holding company may be a gas supplier, but a gas public  
43 utility or any subsidiary of a gas utility is not a gas supplier. In the  
44 event that a gas public utility is not part of a holding company legal  
45 structure, a related competitive business segment of that gas public  
46 utility may be a gas supplier, provided that related competitive  
47 business segment is structurally separated from the gas public  
48 utility, and provided that the interactions between the gas public

1 utility and the related competitive business segment are subject to  
2 the affiliate relations standards adopted by the board pursuant to  
3 subsection k. of section 10 of **[this act]** P.L.1999, c.23 (C.48:3-58);

4 "Gas supply service" means the provision to customers of the  
5 retail commodity of gas, but does not include any regulated  
6 distribution service;

7 "Government aggregator" means any government entity subject  
8 to the requirements of the "Local Public Contracts Law," P.L.1971,  
9 c.198 (C.40A:11-1 et seq.), the "Public School Contracts Law,"  
10 N.J.S.18A:18A-1 et seq., or the "County College Contracts Law,"  
11 P.L.1982, c.189 (C.18A:64A-25.1 et seq.), that enters into a written  
12 contract with a licensed electric power supplier or a licensed gas  
13 supplier for: (1) the provision of electric generation service,  
14 electric related service, gas supply service, or gas related service for  
15 its own use or the use of other government aggregators; or (2) if a  
16 municipal or county government, the provision of electric  
17 generation service or gas supply service on behalf of business or  
18 residential customers within its territorial jurisdiction;

19 "Government energy aggregation program" means a program and  
20 procedure pursuant to which a government aggregator enters into a  
21 written contract for the provision of electric generation service or  
22 gas supply service on behalf of business or residential customers  
23 within its territorial jurisdiction;

24 "Governmental entity" means any federal, state, municipal, local  
25 or other governmental department, commission, board, agency,  
26 court, authority or instrumentality having competent jurisdiction;

27 "Market transition charge" means a charge imposed pursuant to  
28 section 13 of **[this act]** P.L.1999, c.23 (C.48:3-61) by an electric  
29 public utility, at a level determined by the board, on the electric  
30 public utility customers for a limited duration transition period to  
31 recover stranded costs created as a result of the introduction of  
32 electric power supply competition pursuant to the provisions of  
33 **[this act]** P.L.1999, c.23 (C.48:3-49 et al.);

34 "Marketer" means a duly licensed electric power supplier that  
35 takes title to electric energy and capacity, transmission and other  
36 services from electric power generators and other wholesale  
37 suppliers and then assumes contractual and legal obligation to  
38 provide electric generation service, and may include transmission  
39 and other services, to an end-use retail customer or customers, or a  
40 duly licensed gas supplier that takes title to gas and then assumes  
41 the contractual and legal obligation to provide gas supply service to  
42 an end-use customer or customers;

43 "Net proceeds" means proceeds less transaction and other related  
44 costs as determined by the board;

45 "Net revenues" means revenues less related expenses, including  
46 applicable taxes, as determined by the board;

47 "On-site generation facility" means a generation facility, and  
48 equipment and services appurtenant to electric sales by such facility

1 to the end use customer located on the property or on property  
2 contiguous to the property on which the end user is located. An on-  
3 site generation facility shall not be considered a public utility. The  
4 property of the end use customer and the property on which the on-  
5 site generation facility is located shall be considered contiguous if  
6 they are geographically located next to each other, but may be  
7 otherwise separated by an easement, public thoroughfare,  
8 transportation or utility-owned right-of-way;

9 "Person" means an individual, partnership, corporation,  
10 association, trust, limited liability company, governmental entity or  
11 other legal entity;

12 "Private aggregator" means a non-government aggregator that is  
13 a duly-organized business or non-profit organization authorized to  
14 do business in this State that enters into a contract with a duly  
15 licensed electric power supplier for the purchase of electric energy  
16 and capacity, or with a duly licensed gas supplier for the purchase  
17 of gas supply service, on behalf of multiple end-use customers by  
18 combining the loads of those customers;

19 "Public utility holding company" means: (1) any company that,  
20 directly or indirectly, owns, controls, or holds with power to vote,  
21 ten percent or more of the outstanding voting securities of an  
22 electric public utility or a gas public utility or of a company which  
23 is a public utility holding company by virtue of this definition,  
24 unless the Securities and Exchange Commission, or its successor,  
25 by order declares such company not to be a public utility holding  
26 company under the Public Utility Holding Company Act of 1935,  
27 15 U.S.C. s.79 et seq., or its successor; or (2) any person that the  
28 Securities and Exchange Commission, or its successor, determines,  
29 after notice and opportunity for hearing, directly or indirectly, to  
30 exercise, either alone or pursuant to an arrangement or  
31 understanding with one or more other persons, such a controlling  
32 influence over the management or policies of an electric public  
33 utility or a gas public utility or public utility holding company as to  
34 make it necessary or appropriate in the public interest or for the  
35 protection of investors or consumers that such person be subject to  
36 the obligations, duties, and liabilities imposed in the Public Utility  
37 Holding Company Act of 1935 or its successor;

38 "Regulatory asset" means an asset recorded on the books of an  
39 electric public utility or gas public utility pursuant to the Statement  
40 of Financial Accounting Standards, No. 71, entitled "Accounting for  
41 the Effects of Certain Types of Regulation," or any successor  
42 standard and as deemed recoverable by the board;

43 "Related competitive business segment of an electric public  
44 utility or gas public utility" means any business venture of an  
45 electric public utility or gas public utility including, but not limited  
46 to, functionally separate business units, joint ventures, and  
47 partnerships, that offers to provide or provides competitive services;



1 "Related competitive business segment of a public utility holding  
2 company" means any business venture of a public utility holding  
3 company, including, but not limited to, functionally separate  
4 business units, joint ventures, and partnerships and subsidiaries, that  
5 offers to provide or provides competitive services, but does not  
6 include any related competitive business segments of an electric  
7 public utility or gas public utility;

8 "Resource recovery facility" means a solid waste facility  
9 constructed and operated for the incineration of solid waste for  
10 energy production and the recovery of metals and other materials  
11 for reuse;

12 "Restructuring related costs" means reasonably incurred costs  
13 directly related to the restructuring of the electric power industry,  
14 including the closure, sale, functional separation and divestiture of  
15 generation and other competitive utility assets by a public utility, or  
16 the provision of competitive services as such costs are determined  
17 by the board, and which are not stranded costs as defined in [this  
18 act] P.L.1999, c.23 (C.48:3-49 et al.) but may include, but not be  
19 limited to, investments in management information systems, and  
20 which shall include expenses related to employees affected by  
21 restructuring which result in efficiencies and which result in  
22 benefits to ratepayers, such as training or retraining at the level  
23 equivalent to one year's training at a vocational or technical school  
24 or county community college, the provision of severance pay of two  
25 weeks of base pay for each year of full-time employment, and a  
26 maximum of 24 months' continued health care coverage. Except as  
27 to expenses related to employees affected by restructuring,  
28 "restructuring related costs" shall not include going forward costs;

29 "Retail choice" means the ability of retail customers to shop for  
30 electric generation or gas supply service from electric power or gas  
31 suppliers, or opt to receive basic generation service or basic gas  
32 service, and the ability of an electric power or gas supplier to offer  
33 electric generation service or gas supply service to retail customers,  
34 consistent with the provisions of [this act] P.L.1999, c.23 (C.48:3-  
35 49 et al.);

36 "Shopping credit" means an amount deducted from the bill of an  
37 electric public utility customer to reflect the fact that such customer  
38 has switched to an electric power supplier and no longer takes basic  
39 generation service from the electric public utility;

40 "Social program" means a program implemented with board  
41 approval to provide assistance to a group of disadvantaged  
42 customers, to provide protection to consumers, or to accomplish a  
43 particular societal goal, and includes, but is not limited to, the  
44 winter moratorium program, utility practices concerning "bad debt"  
45 customers, low income assistance, deferred payment plans,  
46 weatherization programs, and late payment and deposit policies, but  
47 does not include any demand side management program or any  
48 environmental requirements or controls;

1 "Societal benefits charge" means a charge imposed by an electric  
2 public utility, at a level determined by the board, pursuant to, and in  
3 accordance with, section 12 of **[this act]** P.L.1999, c.23 (C.48:3-  
4 60);

5 "Solar electric generation" means the creation of electricity using  
6 a system that employs solar radiation to produce energy that powers  
7 an electric generator. Solar electric generation includes  
8 technologies that utilize the photovoltaic effect. Solar electric  
9 generation is a type of Class I renewable energy;

10 "Solar renewable energy certificate" or "SREC" means a  
11 tradable certificate representing the environmental attributes of a  
12 particular amount of solar electric generation generated in this  
13 State;

14 "Stranded cost" means the amount by which the net cost of an  
15 electric public utility's electric generating assets or electric power  
16 purchase commitments, as determined by the board consistent with  
17 the provisions of **[this act]** P.L.1999, c.23 (C.48:3-49 et al.),  
18 exceeds the market value of those assets or contractual  
19 commitments in a competitive supply marketplace and the costs of  
20 buydowns or buyouts of power purchase contracts;

21 "Stranded costs recovery order" means each order issued by the  
22 board in accordance with subsection c. of section 13 of **[this act]**  
23 P.L.1999, c.23 (C.48:3-61) which sets forth the amount of stranded  
24 costs, if any, the board has determined an electric public utility is  
25 eligible to recover and collect in accordance with the standards set  
26 forth in section 13 of P.L.1999, c.23 (C.48:3-61) and the recovery  
27 mechanisms therefor;

28 "Transition bond charge" means a charge, expressed as an  
29 amount per kilowatt hour, that is authorized by and imposed on  
30 electric public utility ratepayers pursuant to a bondable stranded  
31 costs rate order, as modified at any time pursuant to the provisions  
32 of **[this act]** P.L.1999, c.23 (C.48:3-49 et al.);

33 "Transition bonds" means bonds, notes, certificates of  
34 participation or beneficial interest or other evidences of  
35 indebtedness or ownership issued pursuant to an indenture, contract  
36 or other agreement of an electric public utility or a financing entity,  
37 the proceeds of which are used, directly or indirectly, to recover,  
38 finance or refinance bondable stranded costs and which are, directly  
39 or indirectly, secured by or payable from bondable transition  
40 property. References in **[this act]** P.L.1999, c.23 (C.48:3-49 et al.)  
41 to principal, interest, and acquisition or redemption premium with  
42 respect to transition bonds which are issued in the form of  
43 certificates of participation or beneficial interest or other evidences  
44 of ownership shall refer to the comparable payments on such  
45 securities;

46 "Transmission and distribution system" means, with respect to an  
47 electric public utility, any facility or equipment that is used for the

1 transmission, distribution or delivery of electricity to the customers  
2 of the electric public utility including, but not limited to, the land,  
3 structures, meters, lines, switches and all other appurtenances  
4 thereof and thereto, owned or controlled by the electric public  
5 utility within this State;

6 "Transition period" means the period from August 1, 1999  
7 through July 31, 2003; and

8 "Universal service" means any service approved by the board  
9 with the purpose of assisting low-income residential customers in  
10 obtaining or retaining electric generation or delivery service.

11 (cf: P.L 2002, c.84, s.1)

12  
13 2. (New section) Notwithstanding any law, rule, regulation or  
14 order to the contrary, whenever the board issues SRECs to owners  
15 of solar electric generation systems under a board instituted solar  
16 renewable energy certificate program, the board shall issue one  
17 SREC for every one megawatt hour of solar electric generation  
18 generated in this State, provided, however, that the board shall issue  
19 one SREC for every 850 kilowatt hours of solar electric generation  
20 generated in this State if the equipment used to produce the solar  
21 electric generation is manufactured in New Jersey.

22  
23 3. This act shall take effect on the 60th date after the date of  
24 enactment, but the Board of Public Utilities may take such  
25 anticipatory action in advance thereof as shall be necessary for the  
26 implementation of the act.

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28  
29 STATEMENT

30  
31 This bill would amend and supplement the "Electric Discount  
32 and Energy Competition Act" ("EDECA") P.L.1999, c.23 (C.48:3-  
33 49 et al.) to direct the Board of Public Utilities ("board") to increase  
34 the amount of credit provided when issuing Solar Renewable  
35 Energy Certificates to owners of solar electric generation systems  
36 using solar generation equipment manufactured in New Jersey.  
37 "Solar renewable energy certificate" or "SREC" means a tradable  
38 certificate representing the environmental attributes of a particular  
39 amount of solar electric generation generated in this State.

40 Under the board's Solar Renewable Energy Certificate program,  
41 the board issues one SREC for every one megawatt hour of solar  
42 electric generation generated in this State. This bill would require  
43 that whenever the board issues SRECs to owners of solar electric  
44 generation systems under a board instituted solar renewable energy  
45 certificate program, such as it does under the current program, the  
46 board shall issue one SREC for every 850 kilowatt hours of solar  
47 electric generation generated in this State if the equipment used to  
48 achieve the solar electric generation is manufactured in New Jersey.

1   “Solar electric generation” means the creation of electricity using a  
2   system that employs solar radiation to produce energy that powers  
3   an electric generator. Solar electric generation includes  
4   technologies that utilize the photovoltaic effect. Solar electric  
5   generation is a type of Class I renewable energy.