

Agenda Date: 1/23/04 Agenda Item: 1A

## STATE OF NEW JERSEY

Board of Public Utilities Two Gateway Center Newark, NJ 07102 www.bpu.state.nj.us

		Office of Clean Energy
	)	
	)	RESOLUTION
IN THE MATTER OF RENEWABLE PORTFOLIO	)	
STANDARD RULE ADOPTION POLICIES	)	DOCKET NO. EX03080616

Resolution Approving Renewable Portfolio Standards Rule Adoption Policy

WHEREAS, the Board has proposed amendments to the Renewable Portfolio Standards rules, which proposal was published in the New Jersey Register on October 6, 2003 at 35 N.J.R. 4445(a);

WHEREAS, significant issues raised during the public comment period on the proposal could affect the upcoming basic generation service (BGS) auction, which will take place on February 2, 2004;

WHEREAS, the volume of comments submitted regarding the proposal makes it impossible for the final adoption document to be completed and voted upon by the Board before February 2, 2004, the date of the BGS auction;

WHEREAS, Board Staff have provided the Board with policy recommendations regarding the BGS-related issues that were raised during the comment period;

WHEREAS, Staff have requested Board approval of the recommendations, in order to provide clear policy guidance to BGS bidders and others regarding the resolution of these issues that will be reflected in the final RPS adoption;

THEREFORE, the Board hereby resolves that the following BGS-related policy decisions be made available to the BGS bidders and placed on the NJBPU's website

1. The prior BGS contracts shall be waived from compliance with the revised RPS percentages for 2004 and 2005, as adopted. However, since this will lower the total amount of solar generation and Class I renewable energy supplied for those years, the RPS percentage, including the solar requirement, shall be proportionally increased in Energy Years (June 1- May 31) 2006 through 2008, through an amendment proposed concurrently with the adoption, to achieve the same total amount of solar generation and Class I renewable energy as if the existing BGS bidders had been required to meet the RPS requirements as set forth in the October 6, 2003 proposal;

- 2. There shall be no change upon adoption in the overall total RPS percentages required by 2008, as those total percentages were proposed on October 6, 2003. However, the annual increases in the percentage requirements will be redistributed through the concurrent proposed amendment over the 5 year period covered by the rules, in order to account for the waiver for existing BGS contracts;
- 3. The earliest date upon which generation may occur and still be eligible for issuance of a solar renewable energy certificates (SREC) shall be changed upon adoption from June 1, 2004 to March 1, 2004. This will provide a three month period before the compliance year begins to address startup issues of the SREC program; and
- 4. The expiration of the SREC shall be clarified upon adoption to be consistent with the end of the reporting year in which the SREC is issued inclusive of the 3 month true up period, except that a provision will be added on adoption allowing for the Board to extend this date for the first year of the program if problems arise in the SREC issuance process.

DATED: <b>1/26/04</b>		BOARD OF PUBLIC UTILITIES BY:
	JEANNE M. FOX PRESIDENT	
SIGNED FREDERICK F. BUTLER		SIGNED  CAROL J. MURPHY
COMMISSIONER		COMMISSIONER
SIGNED		SIGNED
CONNIE O. HUGHES COMMISSIONER		JACK ALTER COMMISSIONER
ATTEST:		
SIGNED		
KRISTI 1770		

**SECRETARY**