

New Jersey's Clean Energy Program

New Jersey's **Clean Energy Program™** is a signature initiative of the New Jersey Board of Public Utilities (BPU).

It promotes increased energy efficiency and the use of clean, renewable sources of energy including solar, wind, and sustainable biomass. The result for New Jersey is a stronger economy, less pollution, lower costs, and reduced demand for electricity.

The program offers financial incentives, programs, and services for residential, commercial, and municipal customers. It provides education, information, and financial incentives for energy efficiency measures and renewable energy systems.

New Jersey has instituted a number of successful initiatives that help to reduce the state's peak energy demand, conserve finite resources, and transform the marketplace for the next generation of electricity and natural gas supply technologies. Incentives are available to offset the initial cost of energy efficient and renewable energy technologies for all ratepayers in New Jersey. Programs are comprehensive and complementary and focus on providing technical and financial assistance to homeowners, businesses, schools, and government organizations. The programs are also designed to offer full project development assistance, from information on best practices to rebate payments and financing tools.



From the roof of the Atlantic City Convention Center, you can see both the Atlantic City Convention and Visitors Authority's 2.37 MW solar energy installation, the largest roof-mounted solar PV system in the U.S., and the Atlantic County Utilities Authority's five 1.5 MW wind turbines, the first utility-scale coastal wind installation in the eastern U.S.

"The New Jersey Clean Energy Program's association with CESA enhances New Jersey's programs by providing a forum for states to share best practices and potential pitfalls. Our work together fosters the expansion of clean energy while contributing to reduction of greenhouse gas emissions, which are responsible for climate change."

Michael Winka, Director



The 2009 New Jersey Clean Energy Annual Conference and Leadership Awards were held in Atlantic City during October 2009. Themed *Clean Energy Now*, the two-day conference drew nearly 1,100 attendees and over 80 exhibitors presenting best practices in energy efficiency and renewable technologies. U.S. Department of Energy Secretary Stephen Chu, co-winner of the 1997 Nobel Prize for Physics, opened the conference.



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HIGHLIGHTS

EXECUTIVE ORDER CALLS FOR 20% BY 2020. In January of 2007, an executive order was signed to adopt proactive and ambitious goals for the reduction of greenhouse gas emissions in New Jersey. The order specifically called for reducing greenhouse gas emissions to 1990 levels by 2020, approximately a 20% reduction, followed by a further reduction of emissions to 80% below 2006 levels by 2050. New Jersey was one of the first states in the nation to adopt such aggressive goals.

SREC REGISTRATION PROGRAM. In September of 2007, the BPU unanimously approved the transition of New Jersey's solar PV incentive program to a fiscally responsible market that will foster the continued growth of solar energy use in the state. Under this program, PV system owners earn solar renewable energy credits (SRECs) for solar electricity production, which are registered and traded among electricity suppliers and other buyers within an established infrastructure. Electricity suppliers are required to either buy the SRECs or pay a Solar Alternative Compliance Payment (SACP). The BPU set an eight-year schedule for the SACP. To meet these RPS goals, the BPU established a solar market that focuses on the sale of SRECs, which resulted in the launch of the SREC-Only Pilot Program. Since the pilot program successfully proved the concept by delivering over 40 MW of PV capacity without the use of rebates, the process is now referred to as the SREC Registration Program.

RGGI. In early 2008, the Regional Greenhouse Gas Initiative (RGGI) Act was signed into law, allowing electric public utilities and gas public utilities to offer energy efficiency and conservation programs, to invest in Class I renewable energy resources, and to offer Class I renewable energy programs in their respective service territories on a regulated basis.

NJ ENERGY MASTER PLAN. In October 2008, the State issued New Jersey's Energy Master Plan (EMP). The Energy Master Plan proposes a road map to guide the state toward a responsible energy future with adequate, reliable energy supplies that are both environmentally responsible and competitively priced. The Energy Master Plan sets the following goals to be achieved by the year 2020:

1. Reduce projected energy consumption by at least 20%
2. Reduce peak demand by 5,700 MW
3. Generate 30% of the State's electricity from renewable resources

MILLIONS IN INCENTIVES. In 2008, the program provided \$112 million in direct financial incentives to residential customers, businesses, schools and municipalities to install energy efficient and renewable energy technologies, including solar photovoltaic systems. The result for New Jersey is a stronger economy, climate benefits, energy savings, and reduced demand for electricity.

\$5 BILLION IN SAVINGS. The energy savings plus the electricity generated from renewable energy and distributed generation systems installed from 2001 through 2008 will save 2,440,485 MWh of electricity and 4,152,721 Dtherms of natural gas per year, saving New Jersey residents and businesses a total of \$5,013,620,105.

MULTIPLE AWARDS. For the past 3 years the Clean Energy Program has received several awards, including: EPA's 2009 ENERGY STAR Partner of the Year for Energy Efficiency Program Delivery for New Jersey ENERGY STAR® Homes; the 2009 ENERGY STAR Sustained Excellence Award as part of the Northeast ENERGY STAR Lighting and Appliance Initiative; the 2008 Excellence in ENERGY STAR Promotion for Home Performance with ENERGY STAR and Excellence in Energy Efficient Affordable Housing for Comfort Partners; and for the past four years, the New Jersey ENERGY STAR Products Program has received an ENERGY STAR Partner of the Year award from the EPA. Additionally, in 2009, New Jersey, along with four other states, was recognized by Clean Energy States Alliance and awarded a *State Leadership in Clean Energy* award for the Solar Renewable Energy Certificate (SREC) Program and its efficient, market-based approach to providing solar developers and building owners with financial incentives without reliance on rebates.

CLEAN ENERGY CONFERENCE AND LEADERSHIP AWARDS. In 2009, New Jersey held its fifth annual Clean Energy Conference and Leadership Awards, which opened with U.S. Department of Energy Secretary Steven Chu, who offered the keynote address. "New Jersey's innovators and entrepreneurs are leading the way, and I look forward to building on the work of this important conference," said Dr. Chu. The conference achieved record levels in terms of attendance and support from sponsors and exhibitors, including 1,089 attendees, a 37% increase over 2008; 82 exhibitors, a 74% increase; and 21 sponsors, a 62% increase. Over 90% of attendees and exhibitors indicated that they plan to attend in 2010.

5,000TH SOLAR PROJECT REACHED. As of December 31, 2009, New Jersey's Clean Energy Program has provided over 164 MW of sustainable energy including solar, wind, biomass, and fuel cell projects. In January of 2010, the Clean Energy Program reached its 5,000th solar project across the state.



In April 2008, the BPU authorized PSE&G to launch a program that will provide about \$100 million in loans to install solar systems on homes, businesses, and municipal buildings in New Jersey. The loans will be repaid with revenue provided by the sale of SRECs from the financed projects. M&M Mars's 2 MW solar installation was one of the first projects to take part in this program.