



Agenda Date: 4/17/24
Agenda Item: 8G

STATE OF NEW JERSEY
Board of Public Utilities
44 South Clinton Avenue, 1st Floor
Trenton, New Jersey 08625-0350
www.nj.gov/bpu/

CLEAN ENERGY

IN THE MATTER OF THE COMPETITIVE SOLAR)
INCENTIVE (“CSI”) PROGRAM PURSUANT TO P.L.)
2021, C. 169)
)
) ORDER ON THE OUTCOME OF
THE SECOND SOLICITATION IN
THE CSI PROGRAM

) DOCKET NO. QO21101186

Party of Record:

Brian O. Lipman, Esq., Director, New Jersey Division of Rate Counsel

BY THE BOARD:

By this Decision and Order, the New Jersey Board of Public Utilities (“Board” or “BPU”) considers the responses to its solicitation for 300 megawatts (“MW”¹) of solar electricity generation capacity through the Competitive Solar Incentive (“CSI”) Program, established by the Board’s December 7, 2022 Order,² pursuant to the Solar Act of 2021 (“Solar Act” or “Act”).³ The second solicitation of the CSI Program opened for prequalification on November 27, 2023, and closed to bids on February 29, 2024 at 11:59:59 pm EST. By this Order, the Board announces the projects selected for awards in the second solicitation of the CSI Program, including bidding party and project, bid price, project capacity and acreage on covered agricultural land by county, and approves a total of 310.21 MW of solar generation and 80 MWh of storage paired with solar generation.

BACKGROUND AND PROCEDURAL HISTORY

The Board is charged by Governor Murphy and the Legislature through a series of executive orders, State policies, and the passage of the Solar Act to double the growth of the Board’s existing solar program and directs incentives targeting up to 3,750 MW of new solar generation by 2026.⁴ The Successor Solar Incentive (“SuSI”) Program is a key part of the Board’s multi-year

¹ All MW values in this Order are in direct current, or “dc”.

² In re Competitive Solar Incentive (“CSI”) Program Pursuant to P.L. 2021, c.169, Order Launching the CSI Program, BPU Docket No. QO21101186, Order dated December 7, 2022 (“CSI Order”).

³ L. 2021, c. 169.

⁴ This target reflects both New Jersey’s 2019 Energy Master Plan and Governor Murphy’s goal of achieving 100% clean energy by 2035. See 2019 New Jersey Energy Master Plan: Pathway to 2050, nj.gov, https://nj.gov/emp/docs/pdf/2020_NJBPU_EMP.pdf

effort to implement this mandate and continue the fight against global climate change, designed to increase the supply of electricity that New Jersey consumers receive from clean solar energy while simultaneously bringing down the costs of solar generation in the State. Under the SuSI Program umbrella, the CSI Program serves to incentivize qualifying grid supply solar installations (i.e., those selling into wholesale markets) and non-residential net metered solar installations with a capacity greater than five (5) MW, as well as eligible grid supply solar installations in combination with energy storage. The CSI Program awards Solar Renewable Energy Certificates (“SREC-IIs”) through a competitive solicitation, with projects competing on SREC-II bid price only.

On June 9, 2021, Governor Murphy signed into law the Solar Act of 2021. The Act directed the Board to establish a program to incent the development of 3,750 MW of solar by 2026, by establishing a new program to incentivize solar generation through the mechanism of SREC-IIs. SREC-IIs represent the value of the environmental attributes of electricity produced by the solar electric power generation facility. The Act directed the Board to create both a solar facilities program for smaller projects, with administratively set incentive values, and a solicitation process for awarding contracts for grid supply solar facilities and net metered solar facilities greater than five (5) MW.

Section 6 of the Act (C.48:3-119) also directed the Board, in consultation with New Jersey Department of Environmental Protection (“NJDEP”) and the Secretary of the New Jersey Department of Agriculture, to establish solar siting rules that apply to projects eligible to participate in the CSI Program. The siting criteria determines where it is permissible for solar projects to be located, where solar construction is subject to restrictions, and where it is prohibited. For some prohibited locations, the Act allows the Board to grant a waiver if it deems the project to be in the public interest after consultation with NJDEP or the Secretary of Agriculture, as appropriate.⁵

By Order dated July 28, 2021, the Board created the SuSI Program, which is divided into the Administratively Determined Incentive (“ADI”) and CSI Programs.⁶ The ADI Program, opened to new registrants on August 28, 2021, offers a fixed incentive in the form of New Jersey SREC-IIs for net metered residential projects, net metered non-residential solar projects of five (5) MW or less, and community solar programs. Incentive values are set administratively, following comprehensive modeling of costs and multiple rounds of stakeholder involvement. Incentive values vary by market segment, and in some cases, according to project size and siting. Since the opening of the ADI Program, it has incented the development of 442.7 MW of solar.⁷

By Order dated December 7, 2022, the Board approved the establishment of the CSI Program via Board Order.⁸ The CSI Program covers qualifying grid supply solar projects (i.e., those selling into the wholesale markets) and net metered non-residential projects above five (5) MW in size. The program uses competitive principles to ensure that the cost of the SREC-II awards represent the lowest incentive contribution from New Jersey’s ratepayers. The CSI Program aims to provide incentives for 300 MW of new solar annually, thus forming a critical element in achieving the goals

⁵ See L. 2021 c. 169 § 6(f)

⁶ In re a Solar Successor Incentive Program Pursuant to P.L. 2018, c.17, BPU Docket No. QO20020184, Order dated July 28, 2021.

⁷ Solar Activity reports, Jan. 31, 2024 update, available at <https://njcleanenergy.com/renewable-energy/project-activity-reports/project-activity-reports>

⁸ In re Competitive Solar Incentive (“CSI”) Program Pursuant to L. 2021, c. 169, Order Launching the CSI Program, BPU Docket No. QO21101186 (Dec. 7, 2022).

of 5.2 gigawatts (“GW”) by 2025, 12.2 GW by 2030 and 17.5 GW by 2035.

Large-scale grid supply solar development comes at a risk of unintended impacts to vulnerable farmland and open space, which is already under significant pressure from other economic and social development trends. The Solar Act directed the Board to establish siting criteria applicable to all grid supply solar facilities and net metered solar facilities greater than five (5) MW in size. These siting criteria were developed in cooperation with the NJDEP, the Department of Agriculture, and the State Agriculture Development Committee (“SADC”). To implement legislative intent to protect vulnerable lands, the Board made these siting criteria applicable to all CSI-eligible solar generation facilities, regardless of whether a project chooses to pursue an incentive or not. The universal applicability ensures that the State’s interest in preserving open space and agricultural lands will be applied to all solar projects on an equal basis, even beyond the scope of the CSI Program.

Pursuant to Section 6 of the Solar Act, the Board’s siting criteria include provisions that require a project to submit a petition to obtain a waiver for construction of a CSI-eligible facility on certain prohibited land uses. The Board, after consultation with the Department of Agriculture or NJDEP as appropriate, may grant such waiver upon determination that the public interest in the specific project being allowed outweighs the presumptive greater public interest in preserving the land. Projects that would be constructed on prohibited land but for which the facility would be located exclusively on the built environment, the Board considers to be presumptively in the public interest and has designated the approval of such applications to Board Staff (“Staff”) or the program administrator.

Rules establishing the CSI Program and codifying the accompanying siting criteria were approved by the Board on December 7, 2022 for publication in the New Jersey Register at 55 N.J.R. 127(a) for a 60-day comment period on February 6, 2023; a notice of correction was issued on March 20, 2023 at 55 N.J.R. 523(a). The public comment period closed for the notice of proposal on April 7, 2023 and for the notice of correction on May 19, 2023. Siting rules for grid supply and large net metering solar facilities were adopted on September 18, 2023.⁹ CSI Program rules were adopted and substantial changes on adoption were proposed on December 18, 2023.¹⁰ The proposal of substantial changes was then published in the New Jersey Register for a 60-day public comment period.¹¹

⁹ 55 N.J.R. 2015(a).

¹⁰ 55 N.J.R. 2555(a).

¹¹ 55 N.J.R. 2461(a).

The CSI Program awards SREC-IIs through a competitive solicitation, with four (4) separate market tranches: 1)Tranche 1, basic grid supply projects; 2) Tranche 2, grid supply projects sited on the built environment; 3) Tranche 3, grid supply projects sited on contaminated sites and landfills; and 4) Tranche 4, net metered non-residential projects greater than five (5) MW. A fifth tranche pairs storage with a grid supply project eligible for Tranche 1, 2 or 3. The Solar Act provides the Board the ability to establish confidential, pre-determined price caps for any or all tranches prior to the solicitation.¹² By Order dated March 6, 2023, the Board established confidential price caps for all tranches in which projects would compete during the first CSI Program solicitation.¹³

The first solicitation of the CSI Program opened for prequalification applications on February 1, 2023 and bid submission closed on March 31, 2023. During the pre-qualification period, projects provided evidence that they met maturity requirements and specific tranche eligibility criteria; applications were administratively reviewed by the solicitation manager. Eligible CSI projects then submitted a bid for an SREC-II award in their tranche, specified in dollars per MWh of solar electricity production; pre-qualified projects competed on bid price only. By Order dated July 12, 2023, the Board announced the results of the CSI Program first solicitation, declining to make any awards as all bids were higher than the price caps.¹⁴ In the same Order, the Board directed Staff to conduct an analysis of market conditions impacting solar development in New Jersey prior to the second solicitation. The Board directed the next solicitation in the CSI Program to open on an expedited timeline, opening to prequalification on October 1, 2023, and closing to bids on December 31, 2023 at 11:59:59 PM. By Order dated September 27, 2023, the Board delayed the opening of second solicitation of the CSI Program until November 27, 2023; with the solicitation window to be closed February 29, 2024.¹⁵

By Order dated November 17, 2023, the Board established updated confidential, pre-determined price caps for all tranches in the second solicitation, based on an assessment of market conditions including interest rates and rates of return, forecasted energy and capacity market prices, and installation and operational costs.¹⁶ Price caps differentiated among and were specific to the five (5) competitive tranches in the CSI Program, as different project types per tranche carry different cost and revenues expectations. The November 2023 Order also provided mechanisms for the exercise of Board discretion in the selection of competitive bids to promote both fiscal responsibility for the State and the likelihood of successful bids. Mechanisms include granting the Board the ability to revise the confidential price caps, based on an updated assessment of the parameters used to set the caps initially, and granting the Board discretion to award competitive bids that do not exceed the tranche price cap by more than 10%.

¹² N.J.S.A. 48:3-117(d).

¹³ In re Competitive Solar Incentive (“CSI”) Program Pursuant to L. 2021, c. 169, Order Addressing Price Cap Determination, BPU Docket No. QO21101186, Order dated March 6, 2023.

¹⁴ In re Competitive Solar Incentive (“CSI”) Program Pursuant to L. 2021, c. 169, Order on the Outcome of the 2023 CSI Program Solicitation, BPU Docket No. QO21101186, Order dated July 12, 2023.

¹⁵ In re Competitive Solar Incentive (“CSI”) Program Pursuant to L. 2021, c. 169, Order Addressing the Timing of the Second CSI Program Solicitation, BPU Docket No. QO21101186, Order dated September 27, 2023.

¹⁶ In re Competitive Solar Incentive (“CSI”) Program Pursuant to L. 2021, c. 169, Order Addressing Price Cap Determination, BPU Docket No. QO21101186, Order dated November 17, 2023 (“November 2023 Order”).

By Order dated January 10, 2024, the Board granted a land-use waiver to the NextGrid Inc. (“NextGrid”) for their Manchester Township Landfill project in Whiting Township, Ocean County, New Jersey.¹⁷ The solar generation facility was proposed to be located on prohibited land in the Pineland preservation area. In compliance with the Act, the Board’s rules at N.J.A.C. 14:8-12.6(a) require a petition to include documentation of “sufficient facts and circumstances” to demonstrate why siting a CSI-eligible project on a prohibited land use is in the public interest. The Board considered the information provided in the petition, together with the support expressed by both NJDEP and the Pinelands Commission, and found that sufficient evidence was provided to make the determination that the project is in the public interest. The Board granted the Petitioner’s request for a land use waiver that would allow the project to move forward in the prequalification process for the second solicitation of the CSI Program. At the same meeting, the Board denied a second land-use waiver petition, submitted by the North Jersey Water Supply Commission and Nexamp Solar, LLC, because these entities did not provide sufficient information to demonstrate that the floating solar project sited on prohibited land within the Highlands preservation area was in the public interest.¹⁸

The total procurement target for the second solicitation was set at 300 MW of solar generation and 160 MWh of storage; the MW procurement targets per tranche, listed below, remained unchanged from the first solicitation. Winning projects are determined by ranking the proposed SREC-II bid price for each tranche, with lowest-cost projects selected until tranche capacity targets are met for Tranches 1, 2, 3 and 4. To compete in Tranche 5, a solar plus storage project provides a two-part bid: a solar-only SREC-II price (eligible to compete in Tranches 1, 2 or 3) and a storage adder price that is considered separately in the storage tranche for award.

Tranche	Target (MW)
1. Basic Grid Supply	140
2. Grid Supply on the Built Environment	80
3. Grid Supply on Contaminated Sites & Landfills	40
4. Net Metered Non-residential above 5 MW	40
TOTAL	300
5. Storage Paired with Grid Supply Solar	160 MWh

The CSI Program rules at N.J.A.C. 14:8-11.10 lay out the selection process for successful bids. The awards are to be made through the last project that does not exceed the procurement target for the given tranche; however, the Board may exercise its discretion in deciding whether to exceed the target if, in the Board’s judgment, the incremental project or projects will benefit New Jersey.

STAFF RECOMMENDATIONS

The Board’s long-standing commitment to the dual goals of promoting a thriving solar industry in the State and keeping ratepayer costs as low as possible has informed the design of the CSI

¹⁷ In re Petition of the NextGrid Inc. for an Order Issuing a Waiver for the Development of a Solar Electricity Generation Facility in the New Jersey Pinelands Preservation Area Pursuant to the Competitive Solar Incentive Program Siting Requirements, BPU Docket No. QW23070456, Order dated January 10, 2024.

¹⁸ In re the Petition of the North Jersey District Water Supply Commission, in Conjunction with Nexamp Solar, LLC., for a Floating Solar Project Eligibility Waiver Under the Competitive Solar Incentive Program (P.L. 2021, c.169), BPU Docket No. QO23060349, Order dated January 10, 2024.

Program. In a competitive solicitation, incentive values should reflect current market conditions and provide a long-term, guaranteed incentive structure for developer investment. Per statute the competitive solicitation process aims to ensure that New Jersey ratepayers are incentivizing the projects that seek the lowest incentive contribution from the ratepayers. Price caps serve as a protective mechanism against non-competitive bids and are set at a level that exceeds expected competitive bids.

In the second CSI Program solicitation, which opened November 27, 2023 and closed on February 29, 2024, the Board received a robust response from the industry, with 14 submissions totaling 374.34 MW of solar generation capacity. Nine (9) projects totaling 339.96 MW were submitted in Tranche 1 (Basic Grid Supply), and five (5) projects totaling 34.38 MW were submitted in Tranche 3 (Contaminated Sites or Landfills). One (1) Tranche 1 project and one (1) Tranche 3 project also submitted bids for storage paired with solar electric generation in Tranche 5, totaling 92 MWh. No bids were submitted in Tranche 2 (Grid Supply on the Built Environment) or Tranche 4 (Net Metered Projects >5 MW).

Prior to the opening of the second solicitation, the Board confirmed its responsibility to maintain sensitivity to market conditions throughout the CSI solicitation, and established mechanisms for use in considering successful bids. Among these mechanisms, the Board has the ability to revise the confidential price caps by Board Order, based on an updated assessment of the parameters used to set the price caps: interest rates and rates of return, energy and capacity price expectations, and installation and operational costs. At the close of the second solicitation, Staff considers that market conditions have not changed sufficiently to warrant reevaluation and does not recommend a reanalysis of the price caps set for the second solicitation.

A second mechanism available in considering successful bids allows the Board to exercise its authority pursuant to N.J.S.A 48: 3-117(f)(3) to adjust the number of MWs awarded in a tranche in response to bid prices above or below any predetermined price caps. Thus, if a tranche has insufficient competitive bids to reach the number of MWs allocated to that tranche and another tranche has competitive bids totaling to an amount above its MW allocation, the Board may adjust the number of MWs awarded in a tranche to ensure a successful solicitation. In the second CSI Solicitation, no bids were received in Tranche 2 [Grid Supply on the Built Environment] or in Tranche 4 [Net Metered Projects Greater than five (5) MW]. Staff recommends that the 80 MW capacity allocated to Tranche 2 and the 40 MW capacity allocated to Tranche 4 be reallocated into the Tranche 1 capacity block, for a total of 260 MW in Tranche 1. Additionally, Staff recommends that unawarded capacity in Tranche 3, discussed below, be similarly reallocated to Tranche 1 to award additional competitively bid capacity. Pursuant to the Solar Act and program rules at N.J.A.C. 14:8-11.10(i), Staff recommends that the Board further exercise its discretion in deciding to exceed the total procurement target, because Staff considers that awarding a Tranche 1 project above the target capacity would benefit New Jersey ratepayers.

Staff recommends that the following projects receive SREC-II incentive awards in the second solicitation of the CSI Program, in order of SREC-II bid price (lowest to highest):

Developer	Tranche	Nameplate Capacity (MWdc)	SREC-II Bid (\$/MWh)	County	Covered Agricultural Land Acreage
Harmony Plains Solar I, LLC	1	95 MW	\$71.90	Warren	383
Buckshutem Solar I, LLC	1	72.56 MW	\$72.00	Cumberland	205
Nabb Solar I, LLC	1	63.8 MW	\$72.15	Cumberland	219
Fenwick Creek Solar, LLC	1	50.54 MW	\$82.67	Salem	271
NJR Clean Energy Ventures III Corporation	3	2.772 MW	\$89.00	Burlington	0
Quakertown Solar Farm II, LLC	1	12.93 MW	\$95.00	Hunterdon	17
NextGrid Manchester Landfill LLC	3	5.2 MW	\$115.00	Ocean	0
Citizens NP Solar, LLC	3	7.416 MW	\$124.00	Gloucester	0
TOTAL CAPACITY		310.21 MW			1,095 acres

In making the above recommendations for awards, in accordance with the CSI Program rules at N.J.A.C. 14:8-11.10(i), Staff first considered the SREC-II bids from all grid supply projects (Tranches 1, 2 and 3) ranked against each other. Lowest-price bids were selected to fill the 140 MW capacity of Tranche 1. Selection of the first two (2) projects, Harmony Plains Solar I, LLC and Buckshutem Solar I, LLC, totals to 167.56 MW and fills the targeted Tranche 1 capacity. With capacity reallocated from Tranches 2 and 4, in which no bids were received, Staff recommends awarding Nabb Solar I, LLC and Fenwick Creek Solar, LLC. The selection of these four projects totals 281.9 MW in Tranche 1.

Pursuant to N.J.A.C. 14:8-11.10(k), Tranche 3 eligible projects not initially selected then compete separately. In Tranche 3, Staff recommends awarding the following three projects: NJR Clean Energy Ventures III Corporation Aero Haven Landfill, NextGrid Manchester Landfill LLC, and Citizens NP Solar, LLC. These Tranche 3 projects total 15.388 MW of capacity. Staff considers that by awarding these projects, the Board continues to demonstrate its longstanding commitment to preferential siting of solar electricity generation on contaminated sites or landfills. In particular, Staff notes that the NextGrid Manchester Landfill, LLC successfully petitioned for a waiver to land use siting prohibitions in the Solar Act. Staff recommends that the remaining 24.6 MW of capacity allocated to Tranche 3 be reallocated to Tranche 1, and that the Board award Tranche 1 project Quakertown Solar Farm II, LLC. This award would raise the total capacity awarded to 310.21 MW, providing the State with 12.93 additional MWs of solar at a competitive price. Staff recommends that the Board award capacity to exceed the total procurement target and considers

that awarding the Quakertown Solar Farm II project is beneficial to the ratepayers of New Jersey and to achieving the State's clean energy goals.

Staff recommends that the Harmony Plains Solar I, LLC project also be awarded for 80 MWh of storage paired with solar generation submitted in Tranche 5, at an SREC-II storage adder of \$16.80/MWh. This award brings the total SREC-II award for the Harmony Plains Solar I project to \$88.70/MWh. Staff considers that this award would represent a responsible cost, as even when the adder value for the storage project is combined with the project's solar generation SREC-II bid in Tranche 1, that bid remains competitive with other projects in the same tranche.

Per the CSI Program rules, projects will have 30 days after an award to submit a registration packet to the Program Administrator. Tranche 1 projects with completed registration packets will receive a dated notice of conditional registration accepting the project. Tranche 3 projects must also submit a completed registration packet including a Contaminated Site or Landfill Eligibility Verification form and NJDEP Permit Readiness Checklist. Following a review of the site by NJDEP and in case of verification of eligibility, the Board will issue an Order granting conditional certification for the solar facility. Once this Order has been submitted to the Program Administrator, the dated notice of conditional registration accepting the project will be issued. All projects must reach Permission to Operate within 36 months of the date of the notice of conditional registration. This timeframe is significantly longer than the time allowed for projects in the ADI Program. The Board has recognized that projects in the CSI Program face additional complexity in interconnection, permitting, and construction, which warrants this longer timeline. Projects must also comply with the Siting Rules for Grid Supply and Large Net Metered Solar Facilities at N.J.A.C. 14:8-12. The Solar Act mandates that participants in the CSI Program "pay an annual administrative fee, in an amount to be determined by the board in the rules and regulations adopted by the board." Staff recommends that the Board set the administrative fee for awardees in the second CSI Program Solicitation to \$0.

Finally, Staff notes that in this second solicitation, two (2) of the four (4) tranches garnered no bids. Staff recommends that the Board direct an evaluation of significant and specific barriers that may prevent participation in Tranches 2 (Grid Supply on the Built Environment) and 4 (Net Metered Non-Residential Projects >5 MW). Preventative factors may include financial risk and revenue expectations or time-specific barriers. To better understand such issues and determine the potential for alternative competitive market segments in future solicitations, Staff recommends further evaluation of the factors contributing to low competition in these tranches and a review of competitive tranches and capacity allocations to make recommendations on reallocation or new tranches before the next solicitation.

DISCUSSION AND FINDINGS

New Jersey has a strong and diverse solar market, with over 4,766 MW of installed solar capacity as of January 31, 2024, and over 807 MW more currently under development. This is in keeping with New Jersey's long-standing position as a national leader in solar development, despite its relatively small size, high population density, and lower values of solar insolation compared to some of the western and southern states. As of January 31, 2024, the State's aggressive clean energy policies have resulted in over 184,000 residential solar installations, representing over 1,579 MW; close to 9,300 non-residential net metered installations, representing over 2,230 MW as of January 31, 2024; 815 MW from grid supply solar facilities; and 141 MW from Community Solar projects. The CSI Program stands to make a significant additional contribution to the clean energy resources available to New Jersey ratepayers.

After review of the record and Staff's recommendation, the Board **FINDS** that, as required at N.J.A.C. 14:8-11.4, each of the participants in the second solicitation of the CSI Program has satisfied the eligibility requirements of the Program and prequalified in a specific competitive Tranche. The Board **FINDS** that the SREC-II bid submitted by each project was the single factor used in award determination.

In accordance with the Solar Act of 2021, the Board seeks to "promote fiscal responsibility for the State and the likelihood of successful bids." N.J.S.A. 48:3-117(d). The Board **FINDS** that the second solicitation price caps set by Board Order on November 17, 2023 are reasonable given current market conditions including interest rates and rates of return, forecasted energy and capacity market prices, and installation and operational costs and do not require resetting.

In the second solicitation of the CSI Program, Tranches 2 and 4 received insufficient bids to reach the number of megawatts allocated in either tranche. The Board **FINDS** that reallocating capacity from these two (2) tranches into Tranche 1, which received bids totaling to more than the allocated capacity of 140 MW, will further the solar generation goals of the State and constitutes an appropriate use of the Board's statutory authority to adjust the quantities awarded based on the prices bid. N.J.S.A. 48: 3-117(f). The Board **FINDS** that this reallocation will further enhance the success of this solicitation by increasing the amount of competitively priced solar to be developed. The Board therefore **APPROVES** the reallocation of 80 MW from Tranche 2 and 40 MW from Tranche 4 to Tranche 1, for a sum of 260 MW in Tranche 1.

In considering awards, the SREC-II bids from grid supply Tranches 1, 2 and 3 were first ranked competitively against each other. Lowest-price offers were selected to fill the initial and reallocated Tranche 1 capacity. Tranche 3 projects not initially selected were then evaluated separately, with lowest-price offers selected. The Board **FINDS** that the selection of the lowest-price offers in Tranche 3 demonstrates the Board's continued commitment to both the preferential siting of solar on contaminated sites and landfills and to safeguarding the fiscal interest of New Jersey ratepayers. The Board **DECLINES** to make further awards in Tranche 3 to fill the remaining tranche capacity because doing so would not be in keeping with the Board's fiscal responsibility to the ratepayers. The Board **FINDS** that, in keeping with its discretion under the Solar Act of 2021, the capacity not awarded in Tranche 3 may be reallocated to Tranche 1 to enable awarding additional solar capacity at a lower cost to the ratepayers. The Board **FINDS** that the selection process used to evaluate the SREC-II bids received in the second solicitation are in line with statutory requirements and the program rules at N.J.A.C. 14:8-11.10. The Board **FINDS** that awarding the remaining capacity in Tranche 1 will result in total procurement in excess of the solicitation target of 300 MW and **CONCLUDES** that the relatively low cost of these additional MWs of clean energy makes this award in the best interest of the State and the ratepayers.

The Board **HEREBY APPROVES** the Harmony Plains Solar I, LLC, Tranche 1 project in Warren County, New Jersey, with a nameplate capacity of 95 MW, to receive an SREC-II award of \$71.90 per MWh for solar generation. The Board **FINDS** that awarding an SREC-II adder of \$16.80 per MWh to this project in Tranche 5, for 80 MWh of storage to be paired with the solar generation produces a total SREC-II incentive allowance for the Harmony Plains Solar I, LLC, project of \$88.70 per MWh. The Board **HEREBY APPROVES** awarding an SREC-II storage adder of \$16.80 per MWh to this project.

The Board **HEREBY APPROVES** the Buckshutem Solar I, LLC, Tranche 1 project in Cumberland County, New Jersey, with a nameplate capacity of 72.56 MW, to receive an SREC-II award of \$72.00 per MWh for solar generation.

The Board **HEREBY APPROVES** the Nabb Solar I, LLC, Tranche 1 project in Cumberland County, New Jersey, with a nameplate capacity of 63.8 MW, to receive an SREC-II award of \$72.15 per MWh for solar generation.

The Board **HEREBY APPROVES** the Fenwick Creek Solar, LLC, Tranche 1 project in Salem County, New Jersey, with a nameplate capacity of 50.54 MW, to receive an SREC-II award of \$82.67 per MWh for solar generation.

The Board **HEREBY APPROVES** the NJR Clean Energy Ventures III Corporation Aero Haven Landfill Tranche 3 project in Burlington County, New Jersey, with a nameplate capacity of 2.772 MW, to receive an SREC-II award of \$89.00 per MWh for solar generation.

The Board **HEREBY APPROVES** the Quakertown Solar Farm II, LLC, Tranche 1 project in Hunterdon County, New Jersey, with a nameplate capacity of 12.93 MW, to receive an SREC-II award of \$95.00 per MWh for solar generation.

The Board **HEREBY APPROVES** the NextGrid Manchester Landfill LLC Tranche 3 project in Ocean County, New Jersey, with a nameplate capacity of 5.2 MW, to receive an SREC-II award of \$115.00 per MWh for solar generation.

The Board **HEREBY APPROVES** the Citizens NP Solar, LLC, Tranche 3 project in Gloucester County, New Jersey, with a nameplate capacity of 7.416 MW, to receive an SREC-II award of \$124.00 per MWh for solar generation.

The Board **DIRECTS** all CSI Program award recipients to submit an initial registration package within 30 days of the effective date of this Board Order, whereupon Tranche 1 projects will be issued a notice of conditional registration and Tranche 3 projects will be issued a conditional registration pending site review by the NJDEP. For Tranche 3 projects sited on contaminated sites or landfills, the Board **DIRECTS** award recipients to apply for conditional certification of site eligibility with NJDEP and receive conditional certification by Board Order. Conditional registration for these projects shall not be complete until conditional certification has been received. The Board **FINDS** that an appropriate administrative fee for award recipients in the second solicitation of the CSI Program is \$0.


The Board **DIRECTS** conditionally registered projects to complete construction within 36 months of the date of notice of conditional registration, pursuant to N.J.A.C. 14:8-11.5(g)3. The Board **DIRECTS** all projects conditionally registered in the CSI Program to comply with the Siting Rules for Grid Supply and Large Net Metered Solar Facilities at N.J.A.C. 14:8-12.8. After the project commences commercial operation and submits a post-construction certification package demonstrating that all the program requirements have been met, the Board **DIRECTS** Staff to issue a New Jersey State Certification Number to the project for purposes of SREC-II creation for a 15-year Qualification Life.

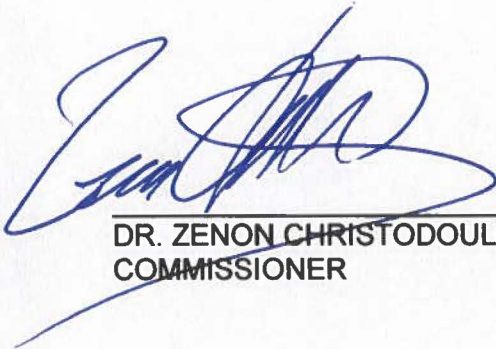
Finally, in consideration of the insufficient participation in Tranches 2 and 4, the Board **DIRECTS** Staff to perform an evaluation of factors that contribute to low competition in these tranches, and to make any recommendations on tranche adjustments, including capacity allocation or the creation of new tranches, before the next solicitation in the CSI Program.

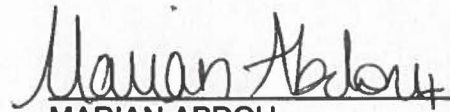
The effective date of this Order is April 24, 2024.

DATED: April 17, 2024

BOARD OF PUBLIC UTILITIES
BY:

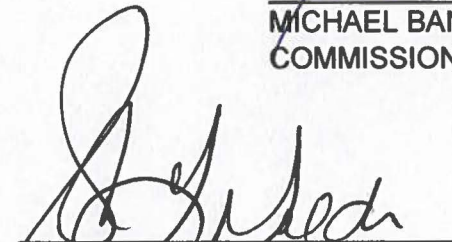

CHRISTINE GUHL SADOVY
PRESIDENT


DR. ZENON CHRISTODOULOU
COMMISSIONER


MARIAN ABDOU
COMMISSIONER


MICHAEL BANGE
COMMISSIONER

ATTEST:


SHERRIL L. GOLDEN
SECRETARY

I HEREBY CERTIFY that the within document is a true copy of the original in the files of the Board of Public Utilities.

IN THE MATTER OF THE COMPETITIVE SOLAR INCENTIVE ("CSI") PROGRAM PURSUANT TO P.L. 2021, C. 169

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