

Agenda Date: 9/27/19 Agenda Item: 8C

STATE OF NEW JERSEY Board of Public Utilities 44 South Clinton Avenue, 9th Floor Post Office Box 350 Trenton, New Jersey 08625-0350 www.nj.gov/bpu/

CLEAN ENERGY

ORDER

IN THE MATTER OF THE PETITION OF GO SOLAR, LLC FOR AN EXTENSION OF SOLAR RENEWABLE ENERGY CERTIFICATE (SREC) PURCHASE AND SALE AGREEMENT REGARDING IVY SIMPKINS BETWEEN ALL SOLAR, LLC AND ATLANTIC CITY ELECTRIC COMPANY ("ACE")

DOCKET NO. QO19070830

Parties of Record:

Stefanie A. Brand, Esq., Director, New Jersey Division of Rate Counsel **Rich Carty**, Go Solar, LLC **Philip Passanante, Esq.,** Atlantic City Electric Company

BY THE BOARD:

In this Order, the New Jersey Board of Public Utilities ("Board") considers the petition of Go Solar, LLC¹ ("Go Solar" or "Petitioner") project developer, for an extension of time to complete a solar energy project ("Project") under a Solar Renewable Energy Certificate ("SREC") long-term financing contract between All Solar and Atlantic City Electric Company ("ACE").

On or about October 15, 2018, as a winning bidder in ACE's SREC II financing program,² All Solar, LLC ("All Solar" or "SREC owner") entered into an SREC Purchase and Sale Agreement ("PSA") with ACE for the SRECs from a net metered 8.26 kW dc rooftop solar project ("Project"). The project will be located at the home of Ivy Simpkins in Millville, NJ ("Site").

Go Solar had received an SRP Registration Acceptance letter with a commitment length of 12 months on January 23, 2018. On January 16, 2019, The SRP Manager granted Go Solar an initial six-month project completion extension to July 23, 2019. The project was completed within the SRP extension deadline and received Permission to Operate letter from ACE on July 18, 2018.

 ¹ Go Solar LLC is the developer of a solar project bid into the EDC SREC II program on behalf of All Solar LLC, the SREC owner. The proposed host location for the project is the residence of Ivy Simpkins.
² The second Electric Distribution Company ("EDC") SREC-based financing program ("SREC II Program") was approved by the Board by Order dated December 18, 2013 in Docket Number EO12090799.

The SREC Agreement executed with ACE had a construction completion deadline of April 15, 2019. On March 25, 2019, All Solar requested and received a three month extension of the SREC PSA with ACE to July 15, 2019.

Petitioner submits that the need for the extension now sought arises from problems with the roof at the site that Petitioner did not find until they performed a site inspection identifying the need for replacement of the roof. The petition, which is dated July 3, 2019, states that "the system will be completed July 8, 2019 prior to the expiration [,] however we will not have the required inspections completed before [the current extension expires on] the 15th." By letter dated July 17, 2019, ACE advises that it has reviewed the petitioner's extension request and does not oppose it.

On July 19, 2019, the Board received this petition.

DISCUSSION AND FINDINGS

In addressing Petitioner's request for an extension of time to complete pursuant to its SREC financing contract with ACE, the Board looks to its previous rulings under the SREC financing program. In reviewing such requests, the Board has looked first at whether the applicant could document significant progress toward completion of the project, and, second, whether the delay was unavoidable and unforeseeable at the time of the execution of the PSA. <u>I/M/O Smart Energy Capital, LLC. – Extension Request for SREC Purchase Sale Agreement with JCP&L, BPU Dkt. No. EO12010081V, Order Dated February 10, 2012; <u>I/M/O Nautilus SWBOE – Extension Request for Solar Renewable Energy Certificate (SREC) Purchase Sale Agreement with Jcp&L, 15, 2015; <u>I/M/O Formosa Plastics, U.S.A. - Verified Petition For Emergent Relief To Extend</u> Construction Deadline, BPU Dkt. No. QO19040444, Order dated June 12, 2019.</u></u>

Applying this standard to the matter at hand, the Board notes that the project has been completed; thus, the Board **FINDS** that Petitioner has demonstrated the necessary progress.

Turning to the second prong of the analysis, the Board looks at whether the cause of the delay was unavoidable and unforeseeable at the time All Solar executed the PSA on October 15, 2018. Petitioner points to the need for roof replacement as the reason for the delay. The Board has not historically accepted roofing repairs as a justification for an extension. Every roof that is planned for a roof mounted solar system must be inspected for its structural integrity and ability to handle the load. SRP registration lengths and EDC SREC II PSA timelines for completion are sufficiently long to accommodate roof repairs. However, in this instance the Board notes that the project was completed within the SRP extension deadline and only three days after the PSA with ACE expired. Since Petitioner's tardiness was *de minimis*, the Board **FINDS** that the delay caused by the remediation of these problems was unavoidable and unforeseeable at the time Petitioner entered into its PSA with ACE.

The Board thus <u>CONCLUDES</u> that Petitioner has met the Board's criteria for granting an extension. Under the terms of SREC II, the Board can grant a one month extension of the PSA to a project of this size. The Board <u>NOW</u> <u>GRANTS</u> Petitioner, as within time, a one-month extension from the expiration of the previous extension to August 15, 2019.

2

The effective date of this Order is October 7, 2019.

DATED: 9/27/19 BOARD OF PUBLIC UTILITIES BY: **ÍØSEPH FIORDALISO** PRESIDENT

COMMISSIONER

UPENDRA J. CHIVUKULA COMMISSIONER

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COMMISSIONER

ROBERT M. GORDON

COMMISSIONER

ATTEST:

Jelch AIDA CAMACHO-WELCH

SECRETARY

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

IN THE MATTER OF GO SOLAR - VERIFIED PETITION FOR EMERGENT RELIEF TO EXTEND CONSTRUCTION DEADLINE DOCKET NO. QO1907/0831

SERVICE LIST

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