



# SUCCESSOR SOLAR INCENTIVE

## Successor Solar Incentive (SuSI) Program

*New Capacity Installed by 2026: 3,750 MW*

Under Governor Phil Murphy's leadership, New Jersey is on track to double its installed solar capacity from 3,655 MW today to 7,400 MW by 2026. The Successor Solar Incentive (SuSI) Program sets an annual goal of installing 750 MW of new solar capacity, including targets for 300 MW of net metered solar, 150 MW of community solar, and 300 MW of grid supply.

Solar energy generates over 5% of New Jersey's current electricity needs; under the new SuSI Program, this percentage is expected to rise to approximately 10%.

The solar industry is a critical piece of New Jersey's clean energy economy – representing almost 5,400 jobs in 2020 – and is a key component to the State's plan to reach 100% clean energy by 2050.

The SuSI Program contains two sub-programs: the **Administratively Determined Incentive** and the **Competitive Solar Incentive**. SuSI prioritizes overall growth of the solar market and ratepayer affordability through incentives tailored to projects' needs.

On July 28, 2021, the New Jersey Board of Public Utilities voted to close the current solar Transition Incentive Program as of 11:59 p.m. E.T. on August 27, 2021. At the same meeting, the Board voted to open the SuSI Administratively Determined Incentive Program beginning at 12:00 a.m. E.T. on August 28, 2021.

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### The Administratively Determined Incentive (ADI)

The Administratively Determined Incentive Program will provide fixed incentives for the following categories of projects:

- Net metered projects serving residential customers;
- Net metered projects serving commercial and industrial projects of 5 MW or less;
- Community solar projects; and
- On an interim basis, grid supply projects located on properly closed sanitary landfills, brownfields, and areas of historic fill (previously known as "subsection (t)" projects).

**Program Launch:** Projects will be able to register for an incentive under the ADI Program beginning at 12:00 a.m. E.T. on Saturday, August 28, 2021.

The value of the incentives are based on the relative costs and revenues for different projects types, with a preference for projects on already developed sites, such as rooftops and parking lots (the "built-environment"). See chart below for details.



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Market Segment	Size (MWdc)	Incentive Value (\$/SREC-II)	Incentive Value for Public Entities (\$/SREC-II)
Net Metered Residential	All types and sizes	\$90	N/A
Small Net Metered Non-Residential on Rooftop, Carport, Canopy and Floating Solar	Projects smaller than 1 MW	\$100	\$120
Large Net Metered Non-Residential on Rooftop, Carport, Canopy and Floating Solar	Projects 1 MW to 5 MW	\$90	\$110
Small Ground Mount Net Metered Non-Residential	Projects smaller than 1 MW	\$85	\$105
Large Ground Mount Net Metered Non-Residential	Projects 1 MW to 5 MW	\$80	\$100
Community Solar Non-LMI	Up to 5 MW	\$70	N/A
Community Solar LMI	Up to 5 MW	\$90	N/A
Interim Subsection (t)	All types and sizes	\$100	N/A

## The Competitive Solar Incentive (CSI)

The Competitive Solar Incentive Program is a new program designed for grid supply projects and commercial and industrial net metered projects larger than 5 MW. Incentive values will be determined through a competitive solicitation process that awards capacity to projects with the lowest cost bids. This approach will leverage competition to ensure the lowest possible ratepayer contribution, particularly for large projects benefitting from economies of scale, while ensuring solar projects continue receiving the incentives they need to build.

**Program Launch:** The first competitive solicitation is targeted for early-to-mid 2022, following additional stakeholder engagement throughout this summer and fall.

## A Look-back: Solar in New Jersey

- New Jersey has supported solar since the initial Renewable Portfolio Standard established in 1999 by the Electric Discount and Energy Competition Act (EDECA). Over time, New Jersey’s solar industry has grown and matured, now providing nearly 5,400 jobs.
- New Jersey is currently 7<sup>th</sup> in the nation for installed solar capacity, and 1<sup>st</sup> for installed solar per square mile.
- Why create a new incentive program? While the prior Solar Renewable Energy Certificate (SREC) Program has been successful at driving high numbers of solar installations in the state, it is expensive in part due to its “one-size-fits-all” structure and the financial uncertainty inherent in its variable, market-driven incentive values.
- The SuSI Program will provide incentives tailored to the needs of different projects, thereby enabling the continued growth of the solar industry at a lower cost to ratepayers.