

## New Solar Rebate Level for New Jersey's REIP

New Jersey the Board of Public Utilities Approves Revised 2010 Budget for New Jersey's Clean Energy Program on June 18, 2010. It is the second revised 2010 budget for New Jersey's Clean Energy Program specifically to the Renewable Energy Incentive Program (REIP). The budget with \$459 million in total funding including past commitments is being used for renewable energy and energy efficiency programs to the state's municipal, government, residential, non-profit, public, commercial and industrial ratepayers.

The revised budget comprises approximately \$272 million in funding for energy efficiency programs which is occupied 59% of the total budget, about \$178 million in funding for renewable energy programs including solar and wind energy which is occupied 38.8% of the total budget, and about \$8 million in funding for the Office of Clean Energy's (OCE) oversight budget.

REIP Solar Funding Cycle 3 starts for new applications on September 1, 2010. The incentives are available as below.

- 1) The maximum rebate amount for residential solar energy systems will be \$.75 per watt of installed solar capacity, up to 7.5 kilowatts (kW) and will be available for system sizes rated at up to 10 kilowatts. Systems larger than 10 kW will not be eligible for rebates.
- 2) The maximum rebate amount for public and non-profit organizations solar energy systems will be \$.75 per watt of installed solar capacity, systems sized at up to 50 kilowatts, with only the first 30 kW eligible for the rebate. Systems larger than 50 kW will not be eligible for rebates.
- 3) Any commercial and non-residential solar installations financed with PPA will not be eligible for solar rebates.
- 4) The maximum rebate amount for Residential new construction (Project must be located in a Smart Growth region) solar energy systems will be \$.75 per watt of installed solar capacity, up to 7.5 kilowatts (kW) and will be available for system sizes rated at up to 10 kilowatts. Systems larger than 10 kW will not be eligible for rebates.

The renewable-energy programs begin to transition from rebates to financing incentives. One of financing incentives is the SREC Registration program for the registration and sale of Solar Renewable Energy Credits, or SRECs. SREC is a tradable certificate and will be issued to you regularly as your solar system generates each 1,000-kilowatt hours of solar electricity. Solar system owners in New Jersey with grid-connected systems are eligible to generate SRECs for up to 15 years after the date of interconnection.

The solar system in New Jersey rated at 7.5 kilowatts (DC) might generate about eight SRECs in a typical year. A recent average price for SRECs in New Jersey is up to \$680 each, and it is traded at market value. The system owner could receive thousands of dollars in income every year from New Jersey utilities.

More information about New Jersey's renewable energy incentives for solar-electric systems may be obtained from <http://www.njcleanenergy.com/>.

