



NJ SPOTLIGHT roundtable:

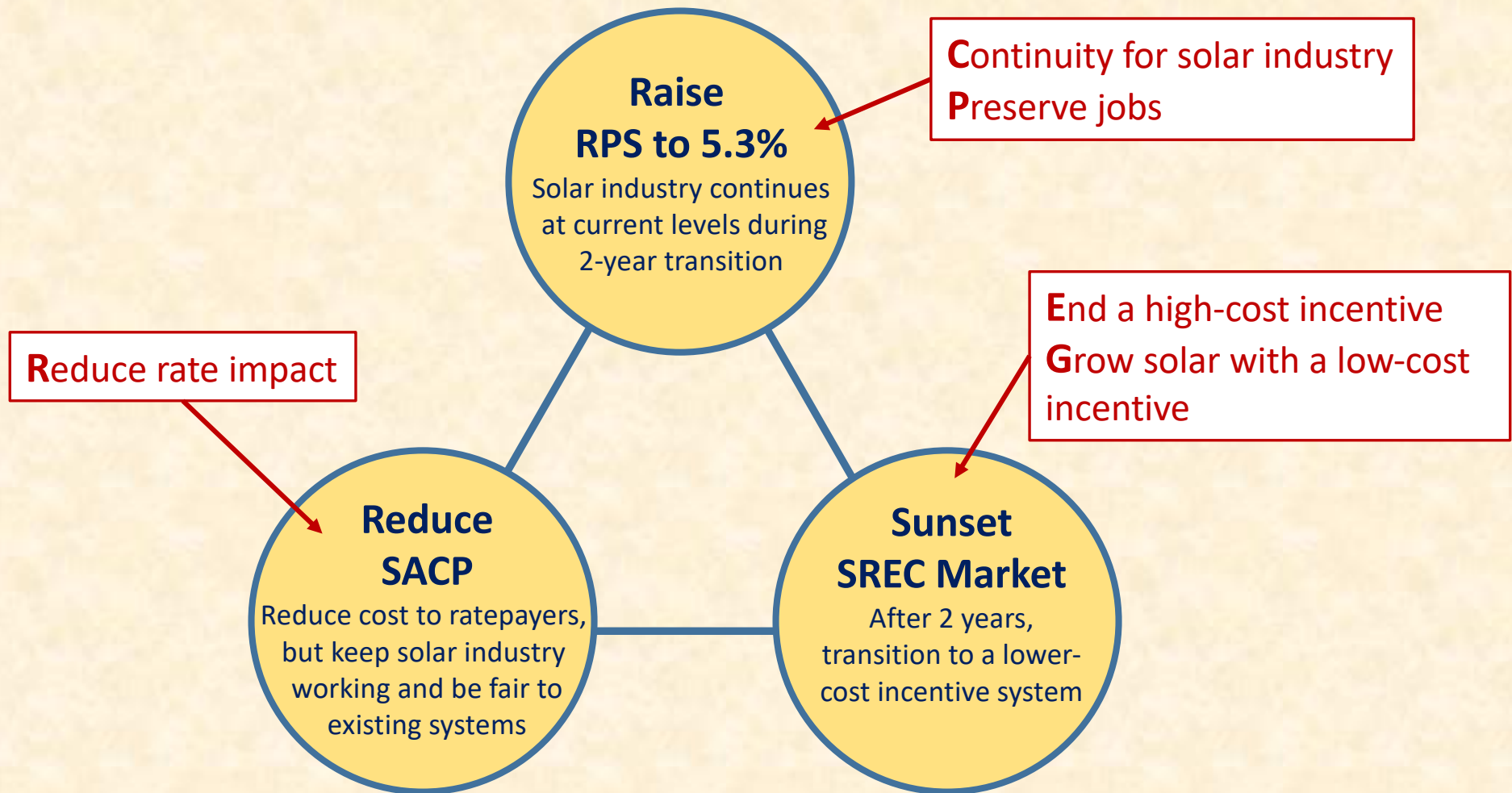
New Jersey's Energy Future: Renewable Energy

**Lyle Rawlings, P.E., President
Mid-Atlantic Solar Energy Industries Association
February 23, 2018**

THE RECOMMENDED SOLAR PROVISIONS OF S877 ARE INTERRELATED AND CAREFULLY BALANCED

Goals:

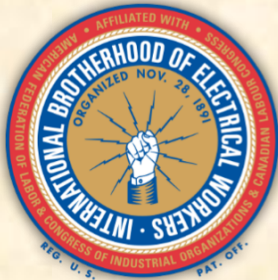
Advance solar energy to meet climate change goals, Reduce rate impact,
Treat existing investments fairly



Solar Transition Team

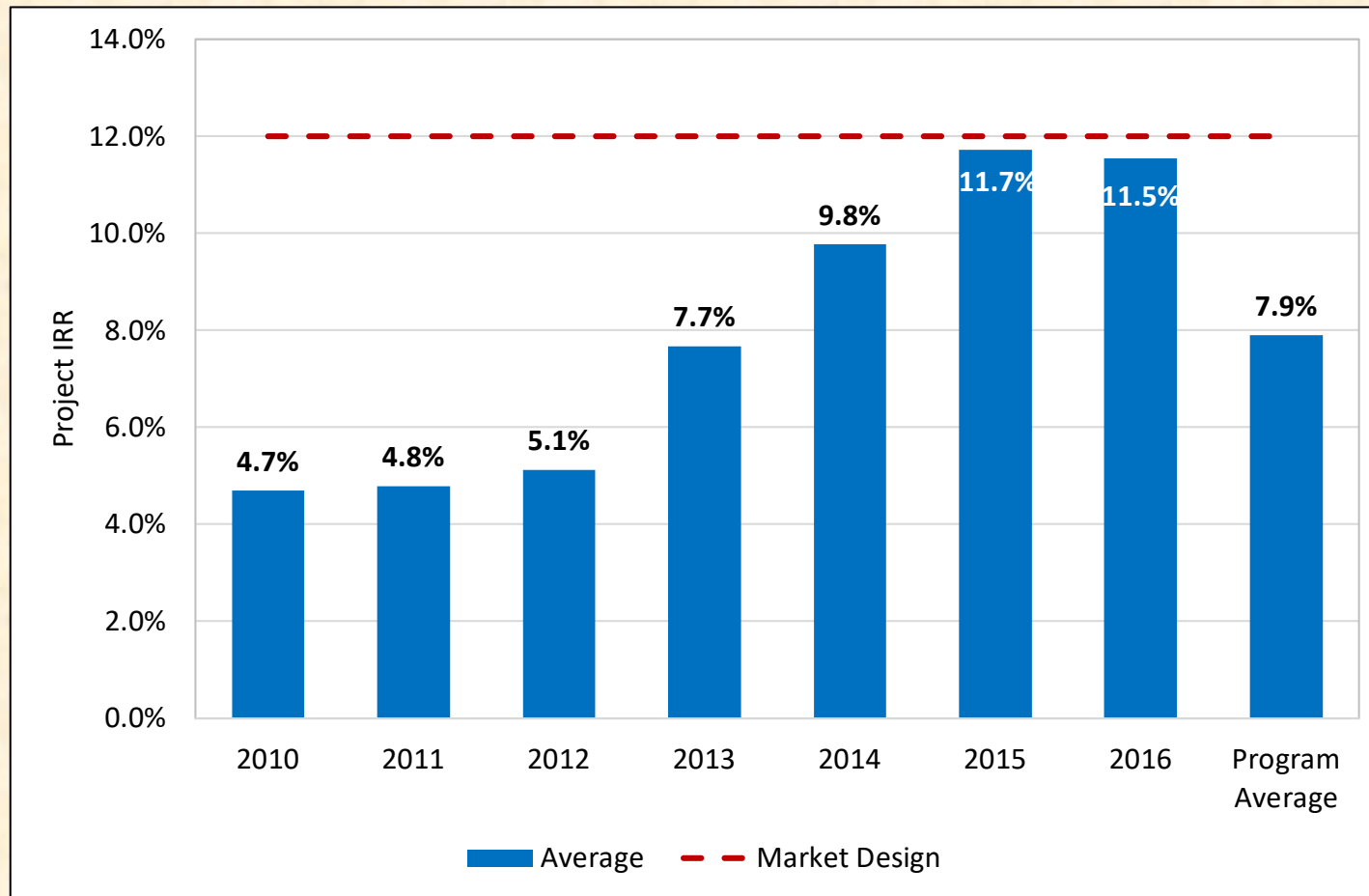


NJSEC



Solar Bill revisions as joint effort of team representing majority of solar market participants

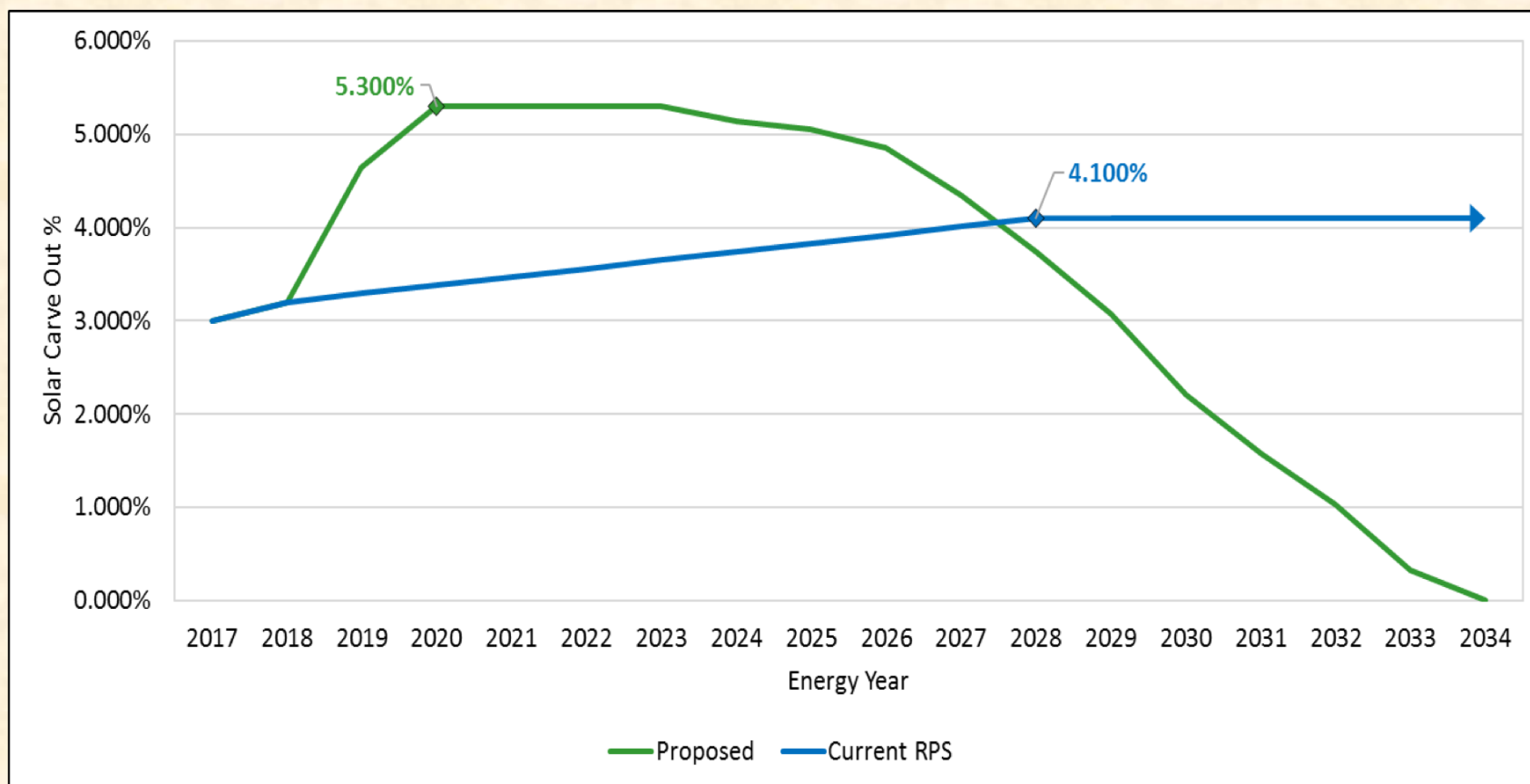
Legacy Project Returns



New Jersey solar investors earning < 8% on average; below market design

**IRRs calculated assuming: Install cost based on Lawrence Berkley National Lab (LBNL): Tracking the Sun 2017; modeled using actual energy prices (Navigant) and actual SREC prices received/forward curve at 65% of SACP*

Sunsetting of the RPS



- Proposed RPS declines reflect no new applications when 5.3% RPS target is hit and with no replacement of projects retiring from SREC eligibility
- With new projects at 10 year SREC eligibility market can permanently close in 2033



MID-ATLANTIC SOLAR ENERGY INDUSTRIES ASSOCIATION

NEW JERSEY ELECTRICITY COSTS

Current Data and Comparisons

How does New Jersey rank with other states on:

1. Rates - 10th
2. Bills - 39th (per capita expenditures on electricity)
3. Affordability - 47th (per capita expenditures as % of income)

Data for 2015

U.S. Energy Information Agency

U.S. Dept. of Commerce, Bureau of Economic Analysis