New Jersey TREC Program Webinar
October 1, 2020
Introduction

• Speaker: Cameron Bernhardt
• Senior Account Manager, SRECTrade
• With company since 2015
• Manages SRECTrade’s Referral Partnership Program, through which solar installers and project developers utilize SRECTrade’s comprehensive REC aggregation services for their systems and receive payment for their referrals
Agenda

- Company Overview
- Resources
- New Jersey Transition Incentive (TI) Program Overview
- Onboarding Process
- SRECTrade TREC Fee Structure
- Why SRECTrade?

**Note.** This presentation is intended only to serve as a high-level educational resource for New Jersey Transition Incentive (TI) Program stakeholders and is not intended to be a complete TI Program overview. Some of the information presented within is subject to change.

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Company Overview

• Since 2008
• 680+ MW, 46,000+ facilities in aggregation
• 100% environmental commodity focused
• Transparency and simplicity
• Brokerage model; no principal position
• Successful aggregator in the legacy NJ SREC program for over 10 years
Resources

- **SRECTrade Website**
  - For registering projects in SRECTrade’s aggregation

- **New Jersey Clean Energy Program (NJCEP) TI Program Website**
  - [TI Program Application Portal](#)
    - For project applications to obtain TREC certification number
  - [TI Program Summary and Process Overview](#)
    - Developed and maintained by New Jersey Board of Public Utilities (BPU)

- **TI Program Website**
  - Developed and maintained by TI Program Administrator: InClime, Inc.

- **SRECTrade Partner Resources***
  - NJ TREC Calculator
  - About SRECTrade Flyer
  - Partner-exclusive “Management Tab”

*Contact SRECTrade or email installers@srectrade.com to request access.
New Jersey’s “Solar Transition”

• New Jersey Clean Energy Act of 2018 directed BPU to “close the SREC Registration Program (SRP) to new registrations once 5.1% of the kilowatt-hours sold in the State are generated by solar electric power connected to the distribution system”
  • BPU determined “5.1% Milestone” attained on April 30, 2020
• In December 2019, BPU Order established TI Program to bridge SRP and its successor program (still in development)
Program Parameters

- TI Program features fixed-price, factorized Transition Renewable Energy Credits (TRECs)
- TREC base price: $152.00
- 1 TREC = 1 MWh of energy produced
- TREC certification term: 15 years from interconnection date
- TREC useful life: 2 years
- All projects must utilize revenue grade meter
  - Legacy SREC program expansions must be separately metered from originally installed array(s)
# New Jersey Transition Incentive (TI) Program Overview

## TREC Factors By Project Type

<table>
<thead>
<tr>
<th>Project Type</th>
<th>TREC Factor</th>
<th>NJ Certification Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Subsection (t): landfill, brownfield, areas of historic fill</td>
<td>1.0</td>
<td>NJ-XXXXXX-SUN-I-LBH-TREC</td>
</tr>
<tr>
<td>Grid supply rooftop</td>
<td>1.0</td>
<td>NJ-XXXXXX-SUN-I-GSR-TREC</td>
</tr>
<tr>
<td>Net metered non-residential rooftop and carport</td>
<td>1.0</td>
<td>NJ-XXXXXX-SUN-I-NMNRRC-TREC</td>
</tr>
<tr>
<td>Community solar</td>
<td>0.85</td>
<td>NJ-XXXXXX-SUN-I-CS-TREC</td>
</tr>
<tr>
<td>Grid supply ground mount</td>
<td>0.6</td>
<td>NJ-XXXXXX-SUN-I-GSGM-TREC</td>
</tr>
<tr>
<td>Net metered residential ground mount</td>
<td>0.6</td>
<td>NJ-XXXXXX-SUN-I-NMRG-TREC</td>
</tr>
<tr>
<td>Net metered residential rooftop and canopy</td>
<td>0.6</td>
<td>NJ-XXXXXX-SUN-I-NMRRC-TREC</td>
</tr>
<tr>
<td>Net metered non-residential ground mount</td>
<td>0.6</td>
<td>NJ-XXXXXX-SUN-I-NMNRRG-TREC</td>
</tr>
<tr>
<td>Floating solar panels</td>
<td>0.6</td>
<td>NJ-XXXXXX-SUN-I-FLT-TREC</td>
</tr>
</tbody>
</table>

Payment Due = # TRECds delivered * $152.00 * TREC Factor

Effective TREC Price per TREC Factor: 1.0 = $152.00; 0.85 = $129.20; 0.6 = $91.20
Payment Process

• Full booking, invoicing, and payment cycle will take about two months
  • SRECTrade clients notified via email after delivery is booked
  • Clients paid via ACH/direct deposit

• Relative to legacy SREC program – delay in receiving first payment but same monthly payments following

• SRECTrade scheduled to initiate first TREC payments this December
New Jersey Transition Incentive (TI) Program Overview

New Jersey Transition Renewable Energy Certificate (TREC) Program

Program Administrator Payment Process

Step 1: TREC Cert # provided by NJCEP to aggregator/owner

Step 2a: Aggregator/owner registers system with PJM GATS at PJM-ELIS.com

Step 2b: Aggregator/owner creates Irrevocable Transfer (IRT) Standing Order in GATS for NJ Electric Utilities

Step 3: Aggregator/owner registers for TREC payments with Program Administrator at TRECNJ.com

Step 4: Program Administrator reviews TRECSNJ Registration

Step 5: Aggregator/owner reports generation data to GATS monthly

Step 6: GATS creates RECs for each system and sends to NJ Electric Utilities

Step 7: Program Administrator provides Monthly Statement to Utilities within 15 days of month close

Step 8: Utilities review Monthly Statement within 35 days

Step 9: Program Administrator initiates payment to all eligible systems within 5 days

Cannot receive TREC Payments

Unresolved or ineligible

Program Administrator sends email to applicant with items that need to be addressed

Source: InClime, Inc. TREC Program Administrator Website
Onboarding Process

Application Steps

1. Register TI Application Packet with NJCEP
2. Register Final As-Built Packet with NJCEP after PTO
3. Obtain TREC certification number (ending in –TREC)
4. Create SRECTrade account and submit SRECTrade online application
5. Approval process with Program Administrator and PJM GATS takes 6-8 weeks
6. SRECTrade account holders notified of approval and can begin reporting production and will be eligible for the next payment cycle
Onboarding Process

SRECTrade Application

• Owner contact info, project specifications, PJM GATS Schedule A

• Virtually identical online application as legacy SREC program
  • Only one change: Page 5 now requires TREC certification number

Existing State Certifications

<table>
<thead>
<tr>
<th>State</th>
<th>Certificate Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>District Of Columbia (DC)</td>
<td></td>
</tr>
<tr>
<td>New Jersey (NJ)</td>
<td>NJ-XXXXX-SUN-I-NMRRC-TRE</td>
</tr>
<tr>
<td>Pennsylvania (PA)</td>
<td></td>
</tr>
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SRECTrade TREC Fee Structure

- SRECTrade Referral Partnership Program offers active partners a Partner Incentive Payment for referrals.
- Same percentage-based fees as legacy SREC program, but lower minimum fees.

<table>
<thead>
<tr>
<th>Facility Size (DC)</th>
<th>Total Fee</th>
<th>NJ TREC Min. Fee</th>
<th>Partner Incentive</th>
</tr>
</thead>
<tbody>
<tr>
<td>0-50 kW</td>
<td>7.00%</td>
<td>$6.00</td>
<td>3.00%</td>
</tr>
<tr>
<td>50-250 kW</td>
<td>4.50%</td>
<td>$4.00</td>
<td>1.80%</td>
</tr>
<tr>
<td>250-500 kW</td>
<td>2.50%</td>
<td>$2.00</td>
<td>0.90%</td>
</tr>
<tr>
<td>500 kW–1 MW</td>
<td>1.50%</td>
<td>$1.00</td>
<td>0.60%</td>
</tr>
<tr>
<td>1+ MW</td>
<td>1.00%</td>
<td>$0.75</td>
<td>0.30%</td>
</tr>
</tbody>
</table>

Note: Minimum fees are not applicable at current base price.
Disclaimer: SRECTrade Fee Structure and Partner Incentive Payment Structure are subject to change and subject to the SRECTrade Partner Terms & Conditions.
Why SRECTrade?

• Nation’s largest 3rd-party aggregator with demonstrated success in processing SRECs for thousands of projects over a decade

• SRECTrade Referral Partnership Program

• Services:
  • TI Program Administrator registration
  • PJM GATS registration and standing order execution
  • Generation reporting to PJM GATS and monitoring, including automated generation reporting (technology-dependent)
  • Payment processing and tracking

• 4-step registration process across multiple platforms could prove challenging
  • Prompt establishment of GATS standing order imperative for TREC eligibility

• Ongoing reporting and monitoring requirements burden owners
SRECTrade Contact Information

Facility Owners:
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(415) 763-7732 x1

Developers/Installers:
installers@srectrade.com
(415) 763-7732 x2