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VIA ELECTRONIC AND REGULAR MAIL

Michael Winka
Director, Office of Clean Energy
New Jersey Board of Public Utilities
44 South Clinton Avenue, 9th Floor
Post Office Box 350
Trenton, NJ 08625-0350
m.winka@bpu.state.nj.us

Re: RESA Comments regarding EDC SREC Programs—Revised Solar RPS OCE Staff Straw Proposal

Dear Director Winka:

On behalf of the Retail Energy Supply Association ("RESA"),[1] a diverse group of competitive third party energy suppliers, I am writing in response to your request for comments on the Office of Clean Energy ("OCE") Staff Straw Proposal ("Straw Proposal") regarding the EDC-SREC Programs—Revised Solar RPS, which was released to the Solar Transition Working Group ("Working Group") on March 6, 2012. While RESA takes no position on the majority of recommendations included in the Straw Proposal, RESA wishes to express its wholehearted support for the recommendation that any "additional capacity of the extended EDC SREC programs will be reflected in the solar RPS regulatory amendments that will be effective in EY

[1]RESA's members include: Champion Energy Services, LLC; ConEdison *Solutions*; Constellation NewEnergy, Inc.; Direct Energy Services, LLC; Energetix, Inc.; Energy Plus Holdings LLC; Exelon Energy Company; GDF SUEZ Energy Resources NA, Inc.; Green Mountain Energy Company; Hess Corporation; Integrys Energy Services, Inc.; Just Energy; Liberty Power; MC Squared Energy Services, LLC; Mint Energy, LLC; NextEra Energy Services; Noble Americas Energy Solutions LLC; PPL EnergyPlus, LLC; Reliant; TransCanada Power Marketing Ltd. and TriEagle Energy, L.P.. The comments expressed in this filing represent the position of RESA as an organization but may not represent the views of any particular member of RESA.

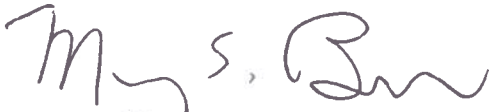
2016." Regardless of whether the current version or a modified version of the Straw Proposal is ultimately included in OCE Staff's proposal to the Board of Public Utilities' ("Board") Commissioners at the May agenda meeting, RESA urges OCE Staff to include this provision in such proposal.

As an active participant in the Working Group process, RESA consistently emphasized that any increase in the solar RPS must be delayed by at least three (3) years to avoid imposing a major competitive disadvantage on retail suppliers, due to the existing regime under the Solar Energy Advancement and Fair Competition Act ("SEAFCA"). SEAFCA provides that existing BGS provider contracts, but not existing retail supply contracts, are exempt from any increases in the RPS. The fundamental unfairness of this scheme is obvious: a Board-imposed increase in the solar RPS would force retail suppliers and their customers to pay additional, unfair costs, while BGS providers and their customers would have no such obligation. Shopping customers have already been forced to pay tens of millions of dollars more than their fair share of the solar RPS due to the inequitable distribution of solar RPS requirements by SEAFCA.

Immediately advancing the RPS, or staggering the increase so that partial increases occur before EY 2016 as has been suggested by some Working Group members, only imposes further economic harm upon the customers of retail suppliers under SEAFCA. Perpetuating a regime wherein retail suppliers and their customers are forced to bear a disproportionately larger share of changes to New Jersey's solar RPS requirements is unfair. Therefore, OCE Staff should preserve its recommendation that no increase should be introduced prior to EY 2016.

Once again, RESA wants to express its support for the Working Group process and OCE Staff's receptiveness to ideas from a wide array of participants. In particular, RESA supports the Straw Proposal's recommendation to refrain from increasing the solar RPS before EY 2016, thereby promoting competitive neutrality by imposing the same solar RPS obligation on all market participants. Please do not hesitate to contact me should you have any questions or concerns. Thank you.

Very truly yours,



Murray E. Bevan

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