



222 MOUNT AIRY ROAD, SUITE 200 BASKING RIDGE, NJ 07920-2335 (P) 908.753.8300 (F) 908.753.8301 WWW.BMG.LAW

MURRAY E. BEVAN mbevan@bmg.law

December 13, 2019

VIA FEDERAL EXPRESS AND EMAIL

Aida Camacho-Welch, Secretary New Jersey Board of Public Utilities 44 South Clinton Avenue, 9th Floor Post Office Box 350 Trenton, NJ 08625-0350 board.secretary@bpu.nj.gov aida.camacho@bpu.nj.gov RECEIVED
MAIL ROOM
DEC 16 2019
BOARD OF PUBLIC UTILITIES
TRENTON N.I

Q019121526

Re:

In the Matter of the Verified Petition of Astrum Solar Inc. d/b/a Direct Energy Solar for Waiver of SREC Registration Rules at N.J.A.C. 14:8-2.4 to Extend Construction Deadline for Solar Installation at the Children's Hospital of Philadelphia

Dear Secretary Camacho-Welch:

Enclosed for filing are an original and ten (10) copies of the Verified Petition of Astrum Solar Inc. d/b/a Direct Energy Solar ("Direct Energy Solar") for Waiver of SREC Registration Rules at N.J.A.C. 14:8-2.4 to Extend Construction Deadline for Solar Installation at the Children's Hospital of Philadelphia.

Also enclosed is a check in the amount of \$25.00 for the requisite filing fee. Please contact me if you have any questions regarding this petition.

Respectfully submitted,

Murray E. Bevan

Enclosures

Cc: Service List

Legal DAG

CLEAN ENERGY 5. Hunter

5. Bluhm

NEW JERSEY • NEW YORK • WASHINGTON, D.C.

A. Benrey

In the Matter of the Verified Petition of Astrum Solar Inc. d/b/a Direct Energy Solar for Waiver of SREC Registration Rules at N.J.A.C. 14:8-2.4 to Extend Construction Deadline for Solar Installation at the Children's Hospital of Philadelphia

BPU Docket No. Q019)21526

CERTIFICATE OF SERVICE

I certify that on this 13th day of December, 2019, on behalf of Astrum Solar Inc. d/b/a Direct Energy Solar ("Direct Energy Solar"), I caused ten (10) copies of Direct Energy Solar's Verified Petition to be served on the following individual electronically and via overnight delivery:

The Honorable Aida Camacho-Welch, Secretary NJ Board of Public Utilities
44 South Clinton Avenue, 9th Floor
P.O. Box 350
Trenton, NJ 08625-0350
board.secretary@bpu.nj.gov
aida.camacho@bpu.nj.gov

I further certify that on the same date I caused one (1) copy of the above-mentioned document to be served on the following individuals electronically or via regular mail:

NJ Board of Public Utilities

P.O. Box 350 Trenton, NJ 08625-0350

Abe Silverman
Chief Counsel
Abe.Silverman@bpu.nj.gov

Christine Sadovy
Deputy Chief of Staff
Christine.Sadovy@bpu.ni.gov

Sara Bluhm, Director Division of Clean Energy sara.bluhm@bpu.nj.gov

Scott Hunter
Manager
Division of Clean Energy
B.Hunter@bpu.nj.gov

Ariane Benrey
Program Administrator
Division of Clean Energy
ariane.benrey@bpu.nj.gov

Division of Rate Counsel

140 East Front Street, 4th Floor P.O. Box 003 Trenton; NJ 08625

Stefanie A. Brand, Director stefanie.brand@rpa.nj.gov

Division of Law

124 Halsey Street, 5th Floor P.O. Box 45029 Newark, NJ 07101

Caroline Vachier, DAG
Caroline.Vachier@law.njoag.gov

Direct Energy Solar

Murray E. Bevan, Esq Christopher M. Casey, Esq. Katherine M. Dailey, Paralegal Bevan, Mosca & Giuditta, P.C. 222 Mount Airy Road Suite 200 Basking Ridge, NJ 07920 mbevan@bmg.law ccasey@bmg.law kdailey@bmg.law

Katherine M. Dailey

ECCUSE OF FUELIC UTILITIES

DEC 1 6 2019

MAII RECEIVED

STATE OF NEW JERSEY BOARD OF PUBLIC UTILITIES



IN THE MATTER OF THE REQUEST)	
FOR WAIVER OF SREC REGISTRATION)	VERIFIED PETITION
RULES AT N.J.A.C. 14:8-2.4 BY ASTRUM SOLAR)	
INC. D/B/A DIRECT ENERGY SOLAR TO)	BPU Docket No.
EXTEND CONSTRUCTION DEADLINE FOR)	
SOLAR INSTALLATION AT THE CHILDREN'S)	
HOSPITAL OF PHILADELPHIA)	

Pursuant to Sections 14:1-1.2(b)(1) and (2) of the New Jersey Administrative Code ("N.J.A.C."), please accept this Verified Petition on behalf of our client, Astrum Solar Inc. d/b/a Direct Energy Solar ("Direct Energy Solar"), as a request for waiver of N.J.A.C. 14:8-2.4(i) and a request for an extension of time to complete its solar energy project at the Children's Hospital of Philadelphia facility located at 101 Plainsboro Road, Plainsboro Township, NJ 08536 (SRP Registration Number: NJSRRE1538458232) in the Solar Renewable Energy Credit ("SREC") Registration Program ("SRP") due to circumstances outside of its control and so as to avoid substantial hardship to Direct Energy Solar and the Children's Hospital of Philadelphia.

I. Background

1. Direct Energy Solar has been toiling to develop a solar electric generation facility ("Solar Project") for the Children's Hospital of Philadelphia (the "Children's Hospital") facility located at located at 101 Plainsboro Road, Plainsboro Township, NJ 08536. The Solar Project has incurred delays that were unavoidable and unforeseeable to Direct Energy Solar. Importantly, the delays have threated the viability of the Solar Project because its SRP Registration will expire before the project reaches commercial operation unless the Board grants an extension. If the SRP Registration is not extended, the Children's Hospital Solar Project will lose its qualification for

both the legacy SREC program as well as its 15-year SREC qualification life, making the project nonviable, as explained in detail below.

- 2. Direct Energy Solar began working to develop the Children's Hospital Solar Project in the spring of 2018. On June 20, 2018, the Children's Hospital executed an agreement with Direct Energy Solar to install a 427-kW carport solar project at its Plainsboro facility. The Solar Project would provide the Children's Hospital with over \$25,000 of electric savings annually, or \$1.6 million of savings over 25 years, which would be redirected by the Children's Hospital into the important, life-saving services performed at the Plainsboro facility, which include pediatric physical therapy, occupational therapy and rehabilitation, speech therapy, auditory brainstem response testing, diagnostic X-ray services, pediatric oncology, and surgical procedures.
- 3. On June 27, 2018, Direct Energy Solar submitted its initial registration application for the Children's Hospital Solar Project to New Jersey's Clean Energy Program's ("NJCEP") SRP for approval. On June 29, 2019, NJCEP issued a Notice of Conditional Registration for the Children's Hospital Solar Project, which accepted the initial SRP Registration conditioned on Direct Energy Solar completing the installation and submitting a complete Final As-Built packet for review and approval on or before the SRP Registration expiration date of June 29, 2019.²
- 4. Upon receiving the Notice of Conditional Registration, Direct Energy Solar immediately began investing time and resources into the Children's Hospital Solar Project. Direct Energy Solar coordinated with the Children's Hospital to perform an on-site engineering and electrical review of the project location on August 14, 2018. Direct Energy Solar used the information from this site visit to plan and design the Children's Hospital Solar Project. Direct

¹ Exhibit A - 6.20.19 Letter of Intent.

² Exhibit B - NJCEP Notice of Conditional Registration 6.29.18.

Energy Solar contracted with Pure Power Engineering to develop the electrical engineering design plans for the project, which were completed on September 16, 2018. Direct Energy Solar's engineering team also solicited bids from carport racking manufacturers and on November 2, 2018, selected a proposal from the contractor of choice, RBI Solar, for the parking lot solar canopy construction.

- During the late fall of 2018, however, Children's Hospital leadership began to make plans to expand the Plainsboro facility. At the time, it was unclear if the Children's Hospital Plainsboro facility would expand vertically (adding stories) or horizontally (onto adjacent property or into the parking lots), so Children's Hospital leadership asked Direct Energy Solar to put the Solar Project on hold until the expansion plans were finalized. On February 2, 2019, Children's Hospital leadership notified Direct Energy Solar that the parking lot would not be available for solar carport facilities as initially planned and they requested a ground mounted system design instead.
- 6. Direct Energy Solar quickly mobilized to accommodate the expansion of the Children's Hospital. On February 7, 2019, Direct Energy Solar reengaged its engineering team to develop a revised design for the Solar Project. The revised design was completed and provided to the Children's Hospital, along with an updated power purchase agreement pricing in the form of a second Letter of Intent on March 1, 2019. The Children's Hospital executed the revised Letter of Intent on March 28, 2019.³
- 7. With the revised Letter of Intent in place, Direct Energy Solar resumed preconstruction activities, further investing time and resources into the Children's Hospital Solar Project. Direct Energy Solar coordinated with the Children's Hospital to perform another on-site

³ Exhibit C – 3.11.19 Letter of Intent.

engineering and electrical review of the project location to confirm the details of the Solar Project's interconnection and to review the site conditions. On May 30, 2019, Direct Energy Solar agreed to a Change Order with Pure Power Engineering to provide an updated design from a canopy to a ground mount system.

- 8. On June 5, 2019, Direct Energy Solar submitted an interconnection application to PSE&G. On June 14, 2019, PSE&G provided notice that the proposed system was slightly oversized to the Children's Hospital's previous 12-months of usage, which required Direct Energy Solar to again alter the system design to comply with the project size limitations. Due to the delays caused by the Solar Project's redesign to accommodate the Plainsboro facility's expansion, Direct Energy Solar applied for, and NJCEP granted, a six-month extension for its SRP Registration, making the new SRP Registration expiration date December 29, 2019.⁴
- 9. Unfortunately, the Children's Hospital's evolving expansion plans again impacted the Solar Project. On July 3rd, 2019, the Children's Hospital notified Direct Energy Solar that the location intended for the Solar Project would be needed for additional parking for the expansion. Direct Energy Solar again quickly mobilized to identify another location for the ground mounted system, which involved numerous redesigns as well as coordination with both the Children's Hospital facilities team and local permitting authorities to identify alternate locations and to understand what could be approved. Nevertheless, after several weeks of significant effort, it became apparent that there was no suitable alternative location for the Solar Project, so Direct Energy Solar worked with the Children's Hospital leadership and facilities team for nearly two months to determine exactly how much parking was needed, to again redesign the solar system to accommodate that need, and to get the final Solar Project plan reviewed and approved. On

⁴ Exhibit D – NJCEP Grant of Extension for Children's Hospital Solar Project.

September 26, 2019, Direct Energy Solar and Children's Hospital entered into a third Letter of Intent, which authorized Direct Energy Solar to proceed with construction.⁵

The final design for the Children's Hospital Solar Project is a 410 kW ground-10. mounted solar electric generation system that will produce more than 491,000 kWh per year. Since the NJCEP granted the initial extension of the Children's Hospital Solar Project, Direct Energy Solar has successfully: obtained approval of the final design and system location from the executive leadership of the Children's Hospital; procured the solar equipment, including the solar panels and the electrical balance of system; communicated with PSE&G about the revised system design for interconnection approval; reengaged Pure Power Engineering for ground-mounted engineering plans; completed the site visit to confirm all electrical interconnection plans; and secured project financing.

Despite the significant progress that has been made on the Solar Project, the delays 11. caused by the Children's Hospital's evolving expansion plans will prevent Direct Energy Solar from completing construction of the Solar Project before its SRP Registration expires. Direct Energy Solar estimates that it will require a one-year extension of its SRP Registration to ensure that it can obtain all permits and approvals necessary to complete the Solar Project. The remaining milestones for the Children's Hospital Solar Project include final utility approval, township planning board approval, township building approval, finalizing the contact with RBI Solar to purchase and install the racking system, and constructing the solar facility. Direct Energy Solar estimates it will take up to ten months to obtain the township zoning permits. As soon as the zoning permits are approved, Direct Energy Solar can file for the building and electrical permits,

Exhibit E – 9.26.19 Letter of Intent.
 Exhibit F – Development Schedule for Children's Hospital Solar Project.

which can take up to a month to be granted. Then it will take Direct Energy Solar a month to construct the solar system, and another 30-45 days to have all of the necessary inspections completed. Accordingly, the Direct Energy Solar will reasonably require a one-year extension of the SRP Registration to complete the Children's Hospital Solar Project.

II. The Board May Waive Its Rules for Good Cause

- 12. Pursuant to N.J.A.C. 14:1-1.2(b), the Board of Public Utilities ("Board") may relax or permit deviations from its rules for good cause shown. In considering whether to grant a request for a waiver, the Board applies a two-pronged test: (1) it determines whether the request is in accord with the general purposes and intent of the rules by looking to the policy underlying the rule in question and the rule's history; and (2) it determines whether full compliance with the rule would adversely affect ratepayers, a utility or other regulated entity, or the public interest.
- 13. Any person or entity seeking waiver of any of the Board's rules or parts thereof, must apply with a written request for waiver that includes: (1) the specific rule or part thereof for which waiver is requested; (2) the reasons for the request of waiver, including a full statement setting forth the type and degree of hardship or inconvenience that would result if full compliance with the rule would be required; and (3) documentation to support the request for waiver.⁷
 - III. Direct Energy Solar Requests Waiver Of The Board's Requirement That Solar Electric Generating Facilities Receive Only One Extension Of Conditional Registration In The SRP As Set Forth At N.J.A.C. 14:8-2.4(i).
- 14. The SRP rules are part of the Board's regulations governing compliance with New Jersey's Renewable Portfolio Standard ("RPS"). The RPS establishes requirements for the minimum amount of qualified renewable energy—in the form of Class I, Class II, and solar renewable energy—that third-party suppliers and basic generation service providers must sell in

⁷ N.J.A.C. 14:1-1.2(b)(2).

each energy year to their New Jersey customers. 8 The purpose of the RPS rules is to "encourage the development of renewable sources of electricity and new, cleaner generation technology; minimize the environmental impact of air pollutant emissions from electric generation; reduce possible transport of emissions and minimize any adverse environmental impact from deregulation of energy generation; and support the reliability of the supply of electricity in New Jersey."9

The Board's SRP rules, set forth at N.J.A.C. 14:8-2.4, establish the administrative 15. process developed by the Board to register the intent to install solar electric generation facilities eligible to produce SRECs that may be used to comply with the RPS requirement for solar renewable energy. The SRP registration process is intended to provide advance notice to the public and the renewable energy markets when increases in solar electric generation capacity in New Jersey are planned, which provides insight into future SREC pricing. 10 Upon determining that a project application meets SREC eligibility requirements, NJCEP issues a conditional registration to the project. If the solar facility completes construction as described in the initial registration package; submits a post-construction certification package; and passes inspection, if required, NJCEP issues a certification number to the solar facility. 11

16. One SRP requirement, codified at N.J.A.C. 14:8-2.4(i), is that the construction of the solar facility must be completed prior to expiration of the conditional registration in the SRP and that Staff may authorize one six-month extension of the project's registration on a case-bycase basis, based on the likelihood of timely and successful completion of the solar facility. If the

⁸ See N.J.A.C. 14:8-2.2.

⁹ N.J.A.C. 14:8-2.1(a).

¹⁰ N.J.A.C. 14:8-2.4(a); NJCEP Website, SREC Registration Program, available at https://www.njcleanenergy.com/renewable-energy/programs/solar-renewable-energy-certificates-srec/new-jerseysolar-renewable-energy.

11 N.J.A.C. 14:8-2.4(h)(4)(n).

conditional registration or extension expires before construction is complete, the registrant must begin the entire registration process again by submitting an initial registration package. Of note, when the Board promulgated N.J.A.C. 14:8-2.4(i), the effect of an SRP Registration expiration was to delay participation in the SRP—the rule was not intended to prohibit participation in the SRP or otherwise materially reduce the level of incentives that a solar project could receive.

Energy Act" or "Act"), which requires the Board to "[a]dopt rules to close the SREC program to new applications upon the attainment of 5.1 percent of kilowatt hours sold in the State . . . from solar electric power generators connected to the distribution system." On October 29, 2018, the Board issued an order addressing the provisions reducing the SREC term or "Qualification Life" for solar facilities to reduce the Qualification Life to 10 years for all applications summited after October 29, 2018, the effective date of the order, and directed staff to initiate a rulemaking to codify the change. On February 27, 2019, the Board issued another order finding that the Legislature intended to limit access to the SREC market upon the attainment of the 5.1% Milestone. The February 27, 2019 Order also directed Board Staff to apply a 15-year SREC Qualification Life to all complete registrations and applications properly submitted to the Board before midnight on October 29, 2018, and it clarified that projects previously determined to be eligible for SRECs by meeting the October 29, 2018 deadline and satisfying all other applicable requirements shall continue to be eligible to create SRECs after the State's attainment of the 5.1%

¹² N.J.S.A. 48:3-87(d).

¹³ I/M/O the Modification of the Solar Renewable Portfolio Standard and Solar Alternative Compliance Payment Schedules and the Reduction of the Qualification Life for Solar Renewable Energy Certificates for Solar Facilities, Docket No. Q018070698 (Oct. 29, 2018) ("October 29, 2018 Order").

¹⁴ I/M/O the Modification of the Solar Renewable Portfolio Standard and Solar Alternative Compliance Payment Schedules and the Reduction of the Qualification Life for Solar Renewable Energy Certificates for Solar Facilities, Docket No. Q018070698, at 6 (Feb. 27, 2019) ("February 27, 2019 Order").

Milestone. ¹⁵ Accordingly, solar facilities that have submitted a complete registration or application for designation or conditional certification on or before October 29, 2018, but have not commenced commercial operations prior to the 5.1% Milestone, may be eligible for a 15-year SREC qualification life subject to its maintaining all other eligibility requirements. ¹⁶

- IV. Direct Energy Solar Requests That The Board Waive N.J.A.C. 14:8-2.4(i) And Grant The Children's Hospital Solar Project A One-Year Extension Of Its Conditional SRP Registration So That It Can Remain Eligible For The Legacy SREC Program With A 15-Year SREC Qualification Life.
- 18. The Children's Hospital Solar Project is currently eligible to participate in the Legacy SREC Program with a 15-Year SREC Qualification Life because it registered for the SRP prior to October 29, 2018. Participation in the Legacy SREC Program with a 15-Year SREC Qualification Life is critical to the financial viability of the Children's Hospital Solar Project because it will provide a revenue stream that is sufficient to support the development of the project. In contrast, if the Children's Hospital Solar Project were to be denied an extension of its SRP Registration, it would not only loose its eligibility for the 15-Year SREC Qualification Life (it would instead only be eligible for a 10-Year SREC Qualification Life, thereby reducing the period of its SREC revenue stream by one-third), but it would also likely forestall its ability to participate in the Legacy SREC Program entirely because the program will soon close. Moreover, the Board's recently established Transition Incentive, 17 which will be available to projects in the SRP pipeline that do not achieve commercial operation at the time the 5.1% Milestone is attained, does not appear to be sufficient to support the development of the Children's Hospital Solar Project.

¹⁵ Id.

¹⁶ See PRN 2019-134; 51 N.J.R 1457a (Sep. 16, 2019) Available at https://www.njcleanenergy.com/files/file/Solar%20Transition/PRN%202019-134%20(51%20N_J_R_%201457a)).pdf

¹⁷ The Board established the Transition Incentive by vote at its December 6, 2019 Agenda Meeting (Item 8B) but has not issued a written order memorializing the decision as of the date of this filing. See In the Matter of a New Jersey Solar Transition Pursuant to P.L. 2018, c.17, Docket No. QQ19010068.

Accordingly, if the SRP Registration extension is denied, the Solar Project would likely not be developed for the Children's Hospital.

- Given the unique timing of the SRP Registration for the Children's Hospital Solar 19. Project and the Solar Transition, denial of a request for waiver of N.J.A.C. 14:8-2.4(i) and for an extension of the SRP Registration would have consequences that were never intended by the SRP rules. The SRP registration process is intended to provide advance notice to the public and the renewable energy markets when increases in solar electric generation capacity in New Jersey are planned, which provides insight into future SREC pricing; however, the Board's SRP rules are not intended to prohibit participation in the Legacy SREC Program or materially reduce the incentive for renewable energy development. Given the unique timing of the Children's Hospital Solar Project and the unavoidable and unforeseeable delays it has experience, granting this waiver and extension of the SRP Registration is in accord with the general purposes and intent of the Board's SRP rules. Moreover, granting this waiver and extension of the SRP Registration is in accord with the general purposes and intent of the RPS rules because it would encourage the development of a renewable energy resource that would not other be built, and thereby help minimize the environmental impact of air pollutant emissions from electric generation and support the reliability of the supply of electricity in New Jersey.
- 20. Conversely, a denial of an SRP Registration extension for the Children's Hospital Solar Project would impart substantial hardship on both the Children's Hospital and Direct Energy Solar, whom have each dedicated considerable time and resources on the Solar Project and together have made significant progress towards its completion. In particular, the time and resources that both the Children's Hospital and Direct Energy Solar have committed to the Solar Project would be lost. In addition, the Children's Hospital would have to revise its plans to expand its Plainsboro

facility to recognize that the Solar Project would not be completed. Most importantly, the Children's Hospital would be denied the critical savings that the Solar Project would provide, meaning those funds could not be redirected by the Children's Hospital into the important, life-saving services performed at the Children's Hospital's Plainsboro facility.

- 21. In addition to the substantial hardship on both the Children's Hospital and Direct Energy Solar that would result from a denial of an SRP Registration extension for the Solar Project, the public interest would also be negatively impacted. As noted above, the inability to develop the Solar Project would prevent the Children's Hospital from redirecting the savings to support the essential health services performed at the Plainsboro facility. Furthermore, a denial of the extension would discourage the development of a new, renewable electric generation resource which would enhance reliability for the Children's Hospital and minimize the environmental impact of air pollutant emissions from electric generation, especially during grid outages when onsite backup generation is needed to sustain the essential services provided to the public. Importantly, the Children's Hospital is a critical facility that provides services and functions essential to the community, especially during and after a disaster. Critical facilities, like the Children's Hospital, deserve and are often afforded special consideration when formulating regulatory alternatives.
- 22. The Board has well established precedent of granting requests for waiver of N.J.A.C. 14:8-2.4(i) and extensions of the SRP Registration when a project has made substantial progress towards completion and experiences unavoidable and unforeseeable delays. The Children's Hospital Solar Project should be afforded this same flexibility. The delays caused by

 $^{^{18}}$ See, for example, Docket Nos. EO12090832V and QO19101419; EO12090832V and QO19080915; EO12090832V and QO19080916; and EO12090832V and QO19080913.

the Children's Hospital's evolving expansion plans for the Plainsboro facility were unforeseeable and out of the control of Direct Energy Solar. When notified that the expansions plans would impact the Solar Project, Direct Energy Solar worked expeditiously to redesign solar system, coordinating between Children's Hospital leadership, contractors, vendors, and permitting authorized to arrive at a new solution. Since the NJCEP granted the initial extension of the Children's Hospital Solar Project, Direct Energy Solar has successfully: obtained approval of the final design and system location from the executive leadership of the Children's Hospital; procured the solar equipment, including the solar panels and the electrical balance of system; communicated with PSE&G about the revised system design for interconnection approval; reengaged Pure Power Engineering for ground-mounted engineering plans; completed the site visit to confirm all electrical interconnection plans; and secured project financing. Moreover, the length of the extension necessary is also outside of the control of Direct Energy Solar because it is largely needed to accommodate non-ministerial permitting. Accordingly, Direct Energy Solar's request for waiver of N.J.A.C. 14:8-2.4(i) and an extension of the SRP Registration is consistent with prior requests granted by the Board.

V. Documentation In Support Of The Request For Waiver And Grant Of SRP Registration Extension.

- 23. In support of this request for waiver and grant of SRP Registration extension, Direct Energy Solar provides the following exhibits:
 - Exhibit A 6.20.19 Letter of Intent;
 - Exhibit B NJCEP Notice of Conditional Registration 6.29.18;
 - Exhibit C 3.11.19 Letter of Intent;
 - Exhibit D NJCEP Grant of Extension for Children's Hospital Solar Project;

- Exhibit E 9.26.19 Letter of Intent;
- Exhibit F Development Schedule for Children's Hospital Solar Project; and
- Exhibit G Verification of Peter Awn;
- Exhibit H Letter from Rachel McCarthy.

VI. Conclusion

In summary, Direct Energy Solar requests waiver of N.J.A.C. 14:8-2.4(i) and a 24. grant of a one-year extension of the conditional SRP Registration for the Children's Hospital Solar Project so that the Solar Project can remain eligible for the Legacy SREC Program with a 15-year SREC Qualification Life. Granting this request comports with the general intent and purpose of the rules by furthering the State's goal of encouraging the development of renewable sources of electricity, minimizing the environmental impact of air pollutant emissions from electric generation, and enhancing reliability at a critical facility that performs important services and functions essential to the community. Given the unique timing of the Children's Hospital Solar Project's SRP Registration in the Solar Transition proceeding, denial of this request would have consequences that were not intended by the SRP rules because it would result in the Solar Project losing its eligibility for the 15-Year SREC Qualification Life and would also likely forestall its ability to participate in the Legacy SREC Program, which would have the effect of denying the project the revenue stream necessary for its economic viability. Moreover, a denial of an SRP Registration extension for the Children's Hospital Solar Project would impart substantial hardship on both the Children's Hospital and Direct Energy Solar, whom have each dedicated considerable time and resources on the Solar Project and together have made significant progress towards its completion. The Board has well established precedent of granting requests for waiver of N.J.A.C. 14:8-2.4(i) and extensions of the SRP Registration when a project that has made substantial progress towards completion and experiences unavoidable and unforeseeable delays. For these reasons, Direct Energy Solar respectfully requests that the Board waive N.J.A.C. 14:8-2.4(i) and a grant a one-year extension of the conditional SRP Registration for the Children's Hospital Solar Project.

Respectfully submitted,

Murray E. Bevan

Christopher M. Casey

Bevan, Mosca & Giuditta, P.C.

Direct Energy Solar

222 Mount Airy Road, Suite 200

Basking Ridge, NJ 07920

(908) 753-8300

mbevan@bmg.law

ccasey@bmg.law

Date: December 13, 2019

cc: Abe Silverman

Christine Sadovy

Sara Bluhm Scott Hunter Ariane Benrey

Stefanie A. Brand