

NJ Energy Program Enables CRE Owners to Lease Roof Space at Attractive Rents by Shaun Keegan, Solar Landscape

The NJBPU (NJ Board of Public Utilities) has announced it will begin accepting Community Solar Energy Pilot Program applications this spring for the first of its three solicitations over the next three years. The new pilot program creates a lucrative opportunity for CRE owners to monetize their roof space by leasing the roof to solar energy companies who will construct and operate solar panel systems. The pilot program is designed to reduce the high costs electric ratepayers incur to subsidize NJ solar incentives known as SRECs (Solar Renewable Energy Certificates). The solar industry expects solar companies who participate in the Pilot Program early to receive the highest state incentives and, therefore, pass along the highest rent payments to CRE owners.

The pilot program allows solar companies to sell solar-generated electricity directly into the grid and credit off-takers/homeowners nearby. The old solar program required the energy consumer be at the same physical location where the solar panels were located. The new policy, also referred to as virtual net metering, relieves CRE owners of the need to involve their tenants as energy consumers for solar projects. The old system required both tenants and owners to be compensated, while the new program allows 100% of the host benefits to be enjoyed by the real estate owner.

Projects submitted during the first solicitation in Spring 2019 will be judged on a 1-100 scoring rubric. The top-scoring projects will be given a notice to proceed. The BPU will score projects based upon factors such as cost to build, community engagement, and specific product offering. CRE owners will only receive rent payments if their projects are selected for funding. CRE owners may increase the likelihood of project approval by early adoption and by partnering with reputable solar companies.

The Pilot Program is limited in scope, and rooftop projects will be given higher preference than green fields or open space. CRE owners with rooftops over 75,000 sf are strongly encouraged to have their properties evaluated to determine the feasibility of a community solar installation and the rent payment they may be eligible to receive.

Based in Asbury Park, NJ, Solar Landscape began sub-contracting solar design/build for developers based around the Tri-State area in 2009. Since that time, the company has installed solar systems on more than 50 million sf of roof space. The company self-performs all its installations with in-house professional electricians and installers. Employing its own full-time solar professionals, ensures a timely and quality installation while mitigating construction risk. Email shaun@solarlandscape.com.