

New Jersey State Solar Policies Primer

New Jersey is one of the top states in the country to install solar. This is greatly due to their policies and incentives that make it easy and profitable to install solar systems in the state. Their two core programs reward you firstly for the electricity you produce, and also for the cleanness of that energy.*



Net Metering- New Jersey's policies all tend to keep it simple. As explained in the Solar 101 Primer, net metering allows you to drastically lower your electric bills.

Firstly, you use all energy you generate for free. Then, any extra energy you generate will be sent back to your utility company, and you will get a credit for it. That credit can then be used towards the cost of any energy you pull from the grid, negating that cost. In New Jersey, systems can net meter up to exactly the facilities consumption, making your electric bill \$0. New Jersey also allows you to sell any excess energy at the end of the year back to the grid, at an avoided-cost (wholesale) rate.

Solar Renewable Energy Credits- The other large incentive in New Jersey is Solar Renewable Energy Credits, or SRECs. These SRECs are earned for every 1,000 kilowatt-hours your system generates. Utility companies must purchase these credits to prove that they used a certain amount of energy from solar power in a given year. There is a market for these SRECs, so the price fluctuates, but the price in New Jersey tends to be about \$250 each. When you're generating multiple a year, it adds up fast! There is policy being looked at that may remove this incentive in the future, so now is the time to install solar before the incentives disappear.

Tax Exemptions- New Jersey also offers tax exemptions on solar, including both sales and property taxes. Your property tax will not raise when you install your solar system, even though your property value will! Also, all solar installations are sales tax exempt, so you save 7% immediately.

In addition to these incentives, you will be able to receive the federal incentives as well!

*All incentives as of 6/7/18. All are subject to change by policymakers or utilities at any time.