



NJHEPs Presentation

New Jersey Solar TREC Opportunity



March 20, 2020

New Jersey TREC Update

- ▶ In December, the BPU adopted the Transition Renewable Energy Certificate (“TREC”) program, highlights include:
 - » 15-yr, fixed price term
 - › We receive TREC compensation of \$152 for every MWh of energy generated
 - » Factorized approach – the BPU specified the following factors, which apply to the aforementioned TREC strip:

Project Type	Factor
Subsection (t): landfill, brownfield, areas of historic fill	1.0
Grid supply (subsection (r)) rooftop	1.0
Net metered non-residential rooftop and carport	1.0
Community solar	0.85
Grid supply (subsection (r)) ground mount	0.6
Net metered residential ground mount	0.6
Net metered residential rooftop and carport	0.6
Net metered non-residential ground mount	0.6

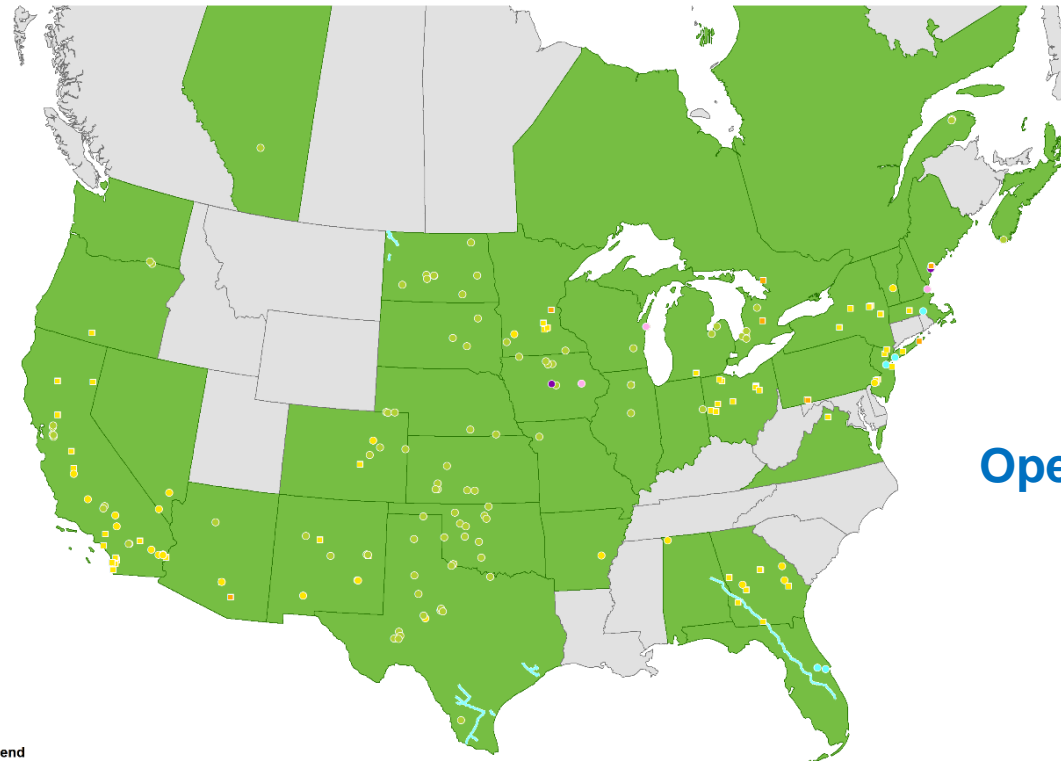
New Jersey TREC Update – continued

- ▶ 5.1% Milestone - refers to solar kilowatt-hours generated divided by total statewide retail electricity sales
 - » Certain forecasts anticipate that the 5.1% mark will be attained as early as May/June 2020
- ▶ Projects that submit completed SREC registrations, but have yet to attain commercial operation, will qualify for the TREC once the 5.1% clip is reached
 - » The TREC Program will remain open until the Successor Program is adopted
- ▶ **The TREC incentive translates into very attractive PPA power pricing**
 - » Rooftop PPA pricing generally at or below \$.01/KWh for installations in excess of 0.5MW
 - » Ground mount pricing in the \$.01-.03/KWh range for 1MW+
 - » Carports land in the \$.03-.05/KWh arena for 1MW+
- ▶ In the absence of on-site generation, we can partner on Community Solar installations which result in significant lease payments for rooftop and carport areas
 - › This is a competitive process and we're entering Year 2 of the Pilot Program
- ▶ Owning and operating 40 installations, totaling 50MW+ and ranging in size from 10KWAC to 10MWAC, throughout the state of New Jersey, puts NextEra in an unmatched position to navigate the SREC registration process and serve as your long-term partner

Who is NextEra Energy?

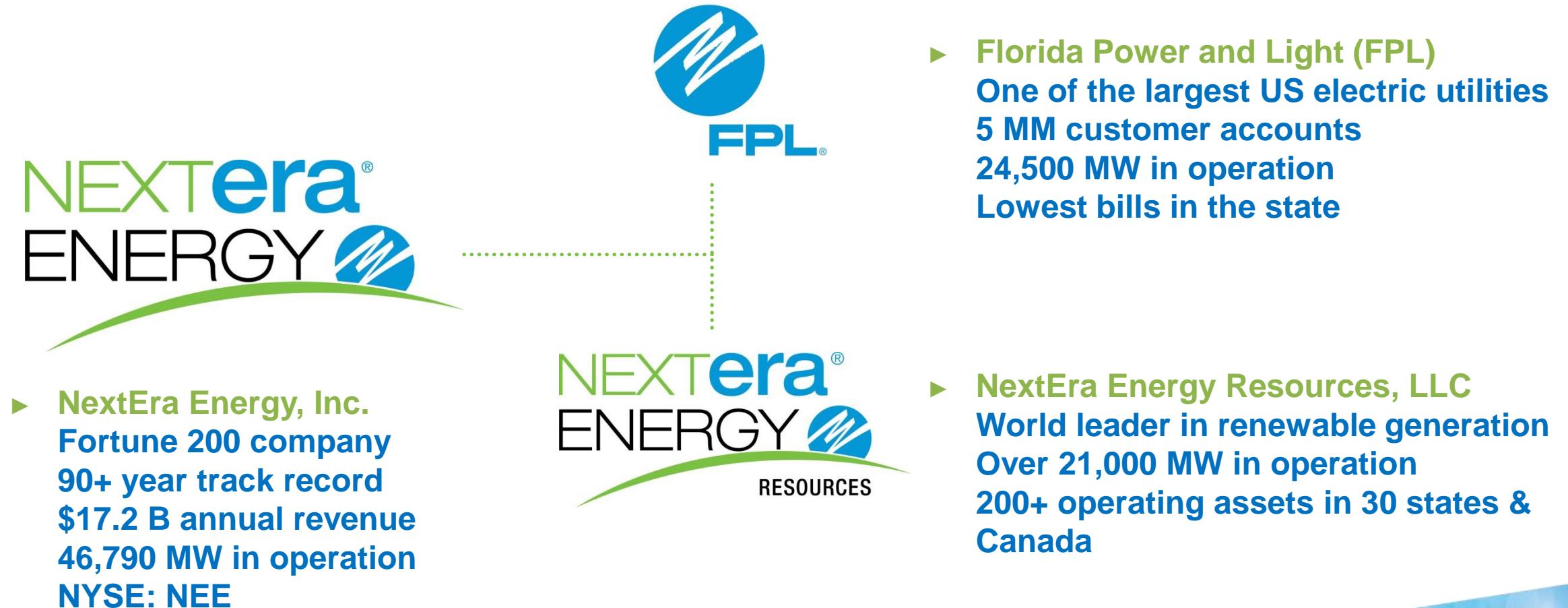
World's
largest
generator of
wind and
solar
energy

\$ **101**
billion
market cap



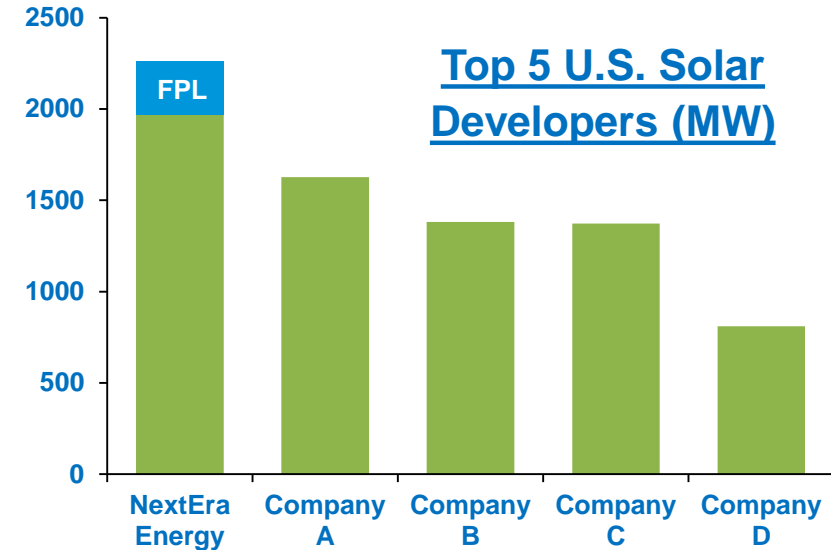
Total Assets	\$104 B
Operating Revenue	\$16.7 B
Net Capacity	46.4 GW
Employees	14,300

NextEra Energy is a clean energy leader composed of two primary businesses



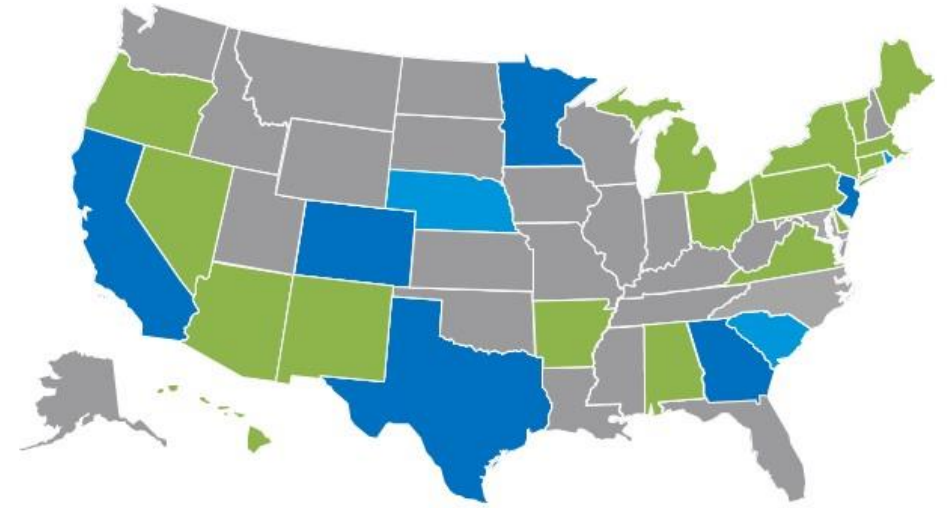
NextEra Energy provides value, expertise, and certainty

- ▶ **NextEra is the market-leading renewable energy developer in the US**
- ▶ **We self-finance our energy projects and are long-term asset owners**
- ▶ **Equipment procurement**
 - » Over \$2B in average annual purchases allows for favorable pricing
 - » We have safe harbored our anticipated pipeline
- ▶ **Construction**
 - » NextEra built out \$6B of projects in 2018, with DG contributing \$330M
- ▶ **O&M**
 - » Operates and maintains 46.5 GW of generation (fossil, nuclear, solar, wind, storage)
- ▶ **NextEra has nearly 30 years of renewable energy experience**



NextEra's DG group is the national leader

- ▶ Total Asset Value over \$1.3bn as of Dec 2019
- ▶ Transacted on 508MW of solar PV projects to date
 - » 280 MW in operation
 - » 228 MW in construction or development
- ▶ Active projects in 22 states, including New Jersey
- ▶ We have university experience throughout the United States
- ▶ Variety of project types, including rooftop, ground-mount, carport and landfill/brownfield systems
- ▶ System sizes ranging from 0.25 – 30 MW
- ▶ All DG projects are initially financed on balance sheet, which provides certainty of execution
- ▶ We have to ability to internally monetize all tax attributes



- States with solar projects in operation
- States with solar projects in construction or late-stage development
- States with solar projects in operation and in development/construction

NextEra Knows Universities

UNIV. OF CALIFORNIA, IRVINE

Irvine, CA

Size: 2.6 MWac

Description: The project consists of three elevated solar structures on the campus. It involved the installation of more than 11,700 panels on top of three parking garages, which are generating up to 3.2 MW of solar power for campus buildings. Construction was completed in 2015.



DICKINSON COLLEGE

Carlisle, PA

Size: 3 MWac

Description: NEER is the owner and long-term operator of this 3MW ground-mounted system, completed in late 2018. The net-metered system provides approximately 30 percent of the campus' electricity needs.



STATE UNIVERSITY OF NY POLYTECHNIC

Perth and Selkirk,
NY

Size: 4MWac and
8MWac

Description: NEER installed two ground-mounted, fixed-tilt solar arrays for the State University of New York. The net-metered systems are interconnected with National Grid. The systems reached commercial operation in 2017.



TOMPKINS CORTLAND COMMUNITY COLLEGE

Dryden, NY

Size: 2 MWac

Description: This ground-mounted fixed-array system will generate approximately 3,263 megawatt hours of energy annually, enough to power 90 percent of the campus' needs. The system reached commercial operation in May 2015.



Community partnerships

- ▶ **NextEra Energy Resources believes in building strong partnerships and supporting the communities we serve**
- ▶ **We engage in educational partnerships and provide support for local communities during project development through operation**
- ▶ **NextEra Energy Resources has provided nearly \$1 million in community support funding since 2017**



Deerfield Middle School solar education station.



Student competition at the Manatee Solar Energy Center.



Mandarin Lakes Academy solar lesson.

NEER's energy storage solutions bring value through cost savings, additional revenues, and site resiliency

- ▶ NextEra Energy Resources is the market leader – more than 134 MW of battery storage systems deployed, with an additional 8GW+ of projects in development
- ▶ Our battery storage solutions create value through:
 - » Demand Charge Management (DCM)
 - » Coincident Peak Shaving
 - » Demand Response (DR)
 - » Resiliency
- ▶ Our industry-leading, proprietary battery control software solution, “DispatchER,” optimizes battery dispatch to maximize savings and revenue generation
- ▶ Dedicated battery storage lab and analytics team maximizes efficiency and returns to our customers
- ▶ Technology agnostic – NextEra deploys the optimal hardware and software for each project's unique needs



Behind-the-meter



Grid-scale

NextEra's Capabilities as a Partner



NextEra's has the breadth and depth of capabilities to partner on any energy project

Thank you!

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