



Sale of Solar Renewable Energy Certificates (SRECs)

ADDENDUM to the SREC Auction Manual **June 2023 Auction**

I.1 Auction Schedule and Additional Documents

The schedule for this Auction is below. All times in this Auction Schedule are Eastern Prevailing Time (“EPT”) unless specifically noted.

| Event | Date |
|---|-------------------------|
| Last generation day for SRECs | Wednesday, May 31, 2023 |
| Documents posted to Auction website | Monday, May 1, 2023 |
| Range of number of SRECs announced | Monday, May 1, 2023 |
| Qualification Deadline by 12 PM (online qualification form, bid assurance collateral, Master SREC Agreements are due) | Wednesday, May 31, 2023 |
| Cure Deficiency Deadline by 6 PM | Friday, June 2, 2023 |
| Notification of Qualification Date | Tuesday, June 6, 2023 |
| Starting price and final number of SRECs announced | Tuesday, June 6, 2023 |
| Auction starts | Thursday, June 8, 2023 |

I.2 Additional Instructions

Some bidders and members of the Auction Manager team are expected to be working from home during the qualification period and on the day of the Auction. The Auction Manager will issue additional instructions to bidders regarding the secondary bidding method with the Notification of Qualification. The Auction Manager will accept electronic signatures on the Representation Form, but the Auction Manager may in that case confirm the identity of the signatory by phone.

I.3 Ranges of SRECs Available

PSE&G will be the only seller in the Auction. There will be a single vintage available in this June 2023 Auction, namely 2023 SRECs. PSE&G estimates that there will be between 59,000 and 88,000 2023 SRECs available at the Auction. The 2023 SRECs were created in GATS as generation between June 1, 2022 and May 31, 2023.

In addition, it is expected that at the conclusion of the Auction, bidders will have the opportunity to submit a bid for a single block of Pre-2023 SRECs (expected to consist of 2022 SRECs and 2021 SRECs). The 2021 SRECs were created in GATS as generation between June 1, 2020 and May 31, 2021. The 2022 SRECs were created in GATS as generation between June 1, 2021 and May 31, 2022. The additional single block is expected to contain fewer than 500 SRECs. The bidding procedure for this additional single block is explained in more detail below.

The Auction Manager will provide to bidders the exact number of 2023 SRECs that will be available at the Auction and the exact composition of the additional single block with their Notification of Qualification.

I.4 Application Website Platform

Each bidder must provide the information required in Section II.1 of the Auction Manual exclusively by using the online qualification form accessible through the SREC Auction website. Beginning with the October 2022 SREC Auction, the online qualification form was made available via a new platform: <https://njsrec-application.com/>. **For a bidder that activated their account to access the online qualification form and provided information in the online qualification form beginning with the October 2022 SREC Auction, the online qualification form will be pre-populated with the last information provided to the Auction Manager.** The Auction Manager will send a reminder of a bidder's login information to those bidders that activated their accounts to access the online qualification form and provided information in the online qualification form beginning with the October 2022 SREC Auction.

A bidder that previously qualified in a prior SREC Auction but did not activate their account to access the online qualification form and provide information in the online qualification form beginning with the October 2022 SREC Auction will not have their online qualification form pre-populated for the June 2023 SREC Auction.

I.5 Bid Assurance Collateral

No bid assurance collateral is required for the June 2023 SREC Auction. Each bidder will be able to bid on all blocks available in the first round of the Auction.

I.6 Bidding Procedures: Additional Single Block of Pre-2023 SRECS

It is expected that at the conclusion of the Auction, bidders will have the opportunity to submit a bid for an additional single block of Pre-2023 SRECs (expected to consist of 2022 SRECs and 2021 SRECs). The block is expected to include fewer than 500 SRECs in total.

Bid Process

Bidders submit as a bid a single price per SREC to purchase the entire additional single block according to the following process:

1. The Auction Manager announces the start and end times of the bid window through system mail in the Auction Software.¹
2. Bidders submit their bids via system mail during the bid window. No information about the bids will be announced during the bid window.
3. At the close of the bid window, all bidders that submitted bids for the additional single block will be advised of the results.

Bid Format

A bidder sends a message to the Auction Manager via system mail in the Auction Software that contains the bid price per SREC and that states that the bid price applies to the additional block. For example:

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[company_name] bids $XXX.XX/SREC to purchase the additional block
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The exact number of Pre-2023 SRECs to be included in this block will be provided with the Notification of Qualification.

Bid Evaluation

It is expected that the additional single block will be awarded to the bidder with the highest bid. However, the Auction Manager and the EDCs reserve the right to reject all bids.

¹ For purposes of participation in the bid process for the additional single block, all bidders will be able to see auction results until the conclusion of the Auction.

I.7 Tentative Date for the Next Auction

The following is a tentative date for the next Auction as well as the vintage that is expected to be made available:

| Tentative Auction Date | Vintage(s) Available | Seller(s) |
|-------------------------------|-----------------------------|-------------------|
| Thursday, July 20, 2023 | 2023 | PSE&G, JCP&L, ACE |