State of New JerseyGovernor Philip D. Murphy Lt. Governor Tahesha L. Way









Christine Guhl-Sadovy President

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NOTICE

IN THE MATTER OF THE 2024 NEW JERSEY ENERGY MASTER PLAN

Docket No. QO24020126

REQUEST FOR INFORMATION

Staff of the New Jersey Board of Public Utilities ("NJBPU" or "Board") invites all interested parties and members of the public to provide written or oral responses to the Request for Information (RFI) contained in this Notice regarding key discussion questions for the 2024 update to the State's Energy Master Plan ("EMP") in which all interested parties and members of the public are invited to participate in four (4) scheduled Public Hearings.

Background and Procedural History

In 2018, Governor Phil Murphy signed Executive Order No. 28, which directed the NJBPU to develop an EMP to serve as the State's blueprint to achieve 100% clean energy by 2050. Released on January 27, 2020, the 2019 EMP established a set of goals to put New Jersey on a pathway to achieve the State's clean energy goals and expanded upon previous EMPs to account for the complete energy system in the State, including electricity generation, transportation, and usage in commercial buildings. Additionally, the 2019 EMP incorporated mandates from the Clean Energy Act of 2018, the Zero Emission Vehicle Memorandum of Understanding, and the Global Warming Response Act of 2009 to reduce greenhouse gas ("GHG") emissions 80% by 2050, relative to 2006 levels.

This year, the EMP will undergo an update as required by the EMP Statute ("Statute").⁴ The 2024 EMP will serve as a whole-of-government progress report on the goals and strategies in the 2019 EMP, outline the changing landscape of State and federal support for climate action, and determine the basis for the development of actionable next steps to reduce GHG emissions and maximize clean energy uptake economy-wide. The 2024 EMP will be a public-facing document that incorporates progress information acquired through inter-agency collaboration and stakeholder feedback to build upon the 2019 EMP and help New Jersey reach its goal of 100% clean energy by 2035, amongst other key clean energy and climate goals and benchmarks. Specifically, the 2024 EMP will examine the progress that has been made toward the seven (7) strategies enumerated in the 2019 EMP, as well as provide an overview of

¹ Exec. Order No. 28 (May 23, 2018), 50 N.J.R. 1394(b) (June 18, 2018).

² New Jersey Board of Public Utilities, <u>2019 New Jersey Energy Master Plan: Pathway to 2050</u>, https://nj.gov/bpu/pdf/publicnotice/NJBPU_EMP.pdf.

³ <u>Id. See also L.</u> 2018, <u>c.</u>17 (N.J.S.A. 48:3-87, <u>et seq.</u>) ("Clean Energy Act of 2018"); Governor Murphy signed the Multi-State Medium-and Heavy-Duty Zero Emission Vehicle Memorandum of Understanding on June 30, 2020 ("Zero Emission Vehicle Memorandum of Understanding"), https://nj.gov/dep/aqes/docs/mhdv-zev-mou-20200714.pdf; L. 2007, c.112 (N.J.S.A. 26:2C-37, et seq.) ("Global Warming Response Act of 2009").

⁴ L. 1977, c.146, amended 1987, c. 365 § 14 (N.J.S.A. 52:27F-14(b)).

the State's progress toward achieving 100% clean energy by 2035 and reducing GHG emissions 80% by 2050.⁵ The seven key strategies in the 2019 EMP were:

- 1. Reducing Energy Consumption and Emissions from the Transportation Sector;
- 2. Accelerating Deployment of Renewable Energy and Distributed Energy Resources;
- 3. Maximizing Energy Efficiency and Conservation, and Reducing Peak Demand;
- 4. Reducing Energy Consumption and Emissions from the Building Sector;
- 5. Decarbonizing and Modernizing New Jersey's Energy System;
- 6. Supporting Community Energy Planning and Action in Underserved Communities; and
- 7. Expanding the Clean Energy Innovation Economy.6

This RFI concerns the 2024 EMP. The purpose of this RFI is to gain input on key policy challenges and questions that exist within specific climate and clean energy policy sectors at the four (4) public hearings previously scheduled for the 2024 EMP.

As authorized by N.J.S.A. 10:4-9.3, virtual public hearings will be conducted on the following days and times so that members of the public may present their views:

Hearing #	Public Hearing Date and Start Time	Agenda	Location - Virtual Link or Call-in Information to Join the Public Hearing
1	May 20, 2024 9:30 a.m. Eastern Time	Overview, progress, and current actions for Strategies 1, 2, and 5 listed in the 2019 EMP.	Zoom Virtual Webinar Registration: https://us06web.zoom.us/webinar/register/WN_goJaEc6tQv23llb2-mKXMg#/registration (Note: If you are typing the URL, please use UPPERCASE for all capitalized letters.) This hearing will describe the goals under Strategies 1, 2, and 5 of the 2019 EMP, the progress on achieving those goals, and potential current actions regarding the Update. There will be a panel of NJBPU Staff and representatives from other State agencies to provide insights into these specific subject matters. Stakeholders and members of the general public are invited to comment on strategy, progress, and current actions, including on the specific questions listed below, either orally at the time of the public hearing or in writing.
2	May 22, 2024	Overview, progress,	Zoom Virtual Webinar Registration:

⁵ Exec. Order No. 315 (Feb. 15, 2023), 55 N.J.R. 509(A)-11(A) (Mar. 20, 2023); Global Warming Response Act of 2009.

⁶ New Jersey Board of Public Utilities, <u>2019 New Jersey Energy Master Plan: Pathway to 2050, https://nj.gov/bpu/pdf/publicnotice/NJBPU_EMP.pdf</u>.

⁷ This includes, but is not limited to, certain members of the EMP Committee such as the State's Department of Environmental Protection, the Department of Community Affairs, the Department of Health and Human Services, the Department of Transportation, and the Department of Treasury.

	6:00 p.m. Eastern Time	and current actions for Strategies 3 and 4.	https://us06web.zoom.us/webinar/register/WN_xKOrnDddREemUCbAoDs8uA#/registration (Note: If you are typing the URL, please use UPPERCASE for all capitalized letters.) This hearing will describe the goals under Strategies 3 and 4 of the 2019 EMP, the progress on achieving those goals, and potential current actions regarding the Update. There will be a panel of NJBPU Staff and representatives from other State agencies ⁸ to provide insights into these specific subject matters. Stakeholders and members of the general public are invited to comment on strategy progress and current actions, including on the specific questions listed below, either orally at the time of the public hearing or in writing.
3	May 29, 2024 9:30 a.m. Eastern Time	Overview, progress, and current actions for Strategies 6 and 7.	Zoom Virtual Webinar Registration: https://us06web.zoom.us/webinar/register/WN ULE mxVER6O9VkTsSYFUhQ#/registration (Note: If you are typing the URL, please use UPPERCASE for all capitalized letters.) This hearing will describe the goals under Strategies 6 and 7 of the 2019 EMP, the progress on those goals, and potential current actions regarding the Update. There will be a panel of NJBPU Staff and representatives from other State agencies9 to provide insights into these specific subject matters.—Stakeholders and members of the general public are invited to comment and ask questions on strategy progress and current actions, including on the specific questions listed below, either orally at the time of the public hearing or in writing.
4	June 3, 2024 1:00 p.m. Eastern Time	Recap of overview, progress, and current actions for Strategies 1 through 7 listed in the 2019 EMP.	Zoom Virtual Webinar Registration: https://us06web.zoom.us/webinar/register/WN 96A m8LuFQoSZvKcPb03RGQ (Note: If you are typing the URL, please use UPPERCASE for all capitalized letters.) This hearing will serve as a recap of Hearing #1, Hearing #2, and Hearing #3 and detail next steps in regards to the development of the 2024 EMP. Stakeholders and members of the general public are invited to comment and ask questions on strategy progress and current

⁸ <u>ld</u>.

⁹ <u>Id</u>.

actions, including on the specific questions listed below,
either orally at the time of the public hearing or in writing.

Representatives from NJBPU Staff and other State agencies will participate in the virtual public hearings. Members of the public are invited to express their views and by utilizing the link or dial-in information set forth above. All comments will be part of the final record of the proceeding and will be considered by the Board. In order to encourage full participation in this opportunity for public comment, please submit any requests for needed accommodations, such as interpreters and/or listening assistance, 48 hours prior to the above hearings to the Board Secretary at board.secretary@bpu.nj.gov.

RFI QUESTIONS

In providing responses to this RFI, stakeholders are encouraged to answer to the best of their ability any of the following questions they consider relevant. Stakeholders do not need to answer all questions for their response to be considered. Answers are understood to be preliminary and non-binding. Stakeholders are free to go beyond the scope of the questions and/or to structure responses as necessary to increase clarity and efficiency of their responses. Stakeholders should also feel free to submit additional or alternate information as they deem necessary and appropriate.

In addition to receiving overall feedback regarding the EMP policy objectives, NJBPU is particularly interested in receiving feedback on the following questions in relation to each of the four (4) hearings, respectively:

May 20, 2024 - Public Hearing 1:

- A. <u>Strategy 1 of the 2019 EMP</u>: The 2019 EMP indicated that among the largest barriers to mass adoption of passenger electric vehicles ("EVs") are range anxiety, the upfront capital costs of EVs compared to their gas-powered counterparts, limited model choices, outdated electricity rate structures, and lack of consumer and dealer awareness. Through focused State efforts to expand public and private charging infrastructure and to encourage the purchase of EVs by implementing and leveraging utility, State, and federal incentives and rebates to reduce the upfront cost of owning and operating an EV, New Jersey continues its efforts to make owning an EV a reality for residents.
 - 1. What could the evolution of transportation electrification incentives look like? On which sectors should the State focus for spurring electrification (for instance, used EVs, medium- and heavy-duty vehicles, and/or ports)? Where will incentives no longer be necessary and when?
 - 2. As the State moves to reduce emissions from the transportation sector, what can be done to reduce overall vehicle miles traveled in the state? What collaborations are necessary, and what strategies and examples can New Jersey employ and learn from to achieve this goal?
- B. Strategy 2 of the 2019 EMP: The 2019 EMP aimed to successfully reduce New Jersey's climate emissions and meet the State's energy needs with clean energy by maximizing the development of offshore wind, the amount of in-state renewable energy generation, and the interconnection of zero-emission distributed energy resources ("DER"). With three offshore wind solicitations complete and one underway, as well as revamped solar programs that center competition and cost reductions to save ratepayer dollars and reach more residents, the State continues to advance our clean energy goals.
 - 1. What mechanisms are needed to ensure clean energy development incentives are aligned to match generation and load?

¹⁰ <u>Id</u>.

- 2. How can we accelerate the pace at which renewable generation projects are built without making it cost-prohibitive for ratepayers and/or developers?
- C. <u>Strategy 5 of the 2019 EMP</u>: The 2019 EMP outlined how the benefits of electrification, including incorporation of renewable energy, energy storage, demand flexibility, energy efficiency, load shifting, resiliency, microgrids, decentralization, and decarbonization, all necessitate a 21st-century distribution grid. With the release of the 2022 Grid Modernization Report,¹¹ followed by robust stakeholdering and the recent approval of new grid modernization rules, New Jersey is working hard to build, through a coordinated and collaborative approach with expert and relevant stakeholders, a more advanced and capable grid to support the clean energy transition.
 - 1. How can New Jersey more swiftly advance required electric distribution system upgrades with which DER project developers may be faced in order to bring their project online? Should project developers be required to pay for the full upgrade, or can financial mechanisms be put in place to reduce the upfront burden of grid upgrades, reduce or mitigate any impacts on ratepayers, and achieve cost-effective expanded hosting capacity for DER?
 - 2. How should the state incorporate emerging and existing technologies such as long-duration energy storage, clean hydrogen, and demand response in net-zero emission modelling scenarios that align state emission reductions with the Global Warming Response Act of 2009?

May 22, 2024 – Public Hearing 2:

- A. <u>Strategy 3 of the 2019 EMP</u>: The 2019 EMP stated that the NJBPU should continue to engage with stakeholders to determine opportunities for increasing accessibility to energy efficiency programs, as well as develop program structures and methods for evaluating program success and utility goal achievement that value priorities such as increased program accessibility for hard-to-reach customers. In the first three-year cycle of utility energy efficiency programs, New Jersey's electric public utilities and gas public utilities offered rebates and zero percent financing to encourage energy efficiency improvements statewide, with more favorable rebates and financing terms offered to lower-income customers.
 - 1. Have these mechanisms been effective in broadening accessibility to energy efficiency improvements?
 - 2. What else should New Jersey do to increase education and awareness and address gaps in the accessibility of energy efficiency programs?
- B. <u>Strategy 4 of the 2019 EMP</u>: The 2019 EMP stated that the most cost-effective first steps in decarbonizing buildings are starting the transition for new construction to be net zero carbon and converting existing homes using baseboard electric heating, oil, and propane to modern, efficient heat pumps.
 - 1. In April 2024, the NJBPU approved a revised program that will offer financial incentives for construction of new buildings that achieve high levels of energy efficiency and that reduce greenhouse gas emissions. How can New Jersey achieve net zero emissions new construction, whether through the new construction incentive program or through additional mechanisms or initiatives?

https://www.nj.gov/bpu/pdf/reports/NJBPU%20Grid%20Modernization%20Final%20Report.pdf.

¹¹ Guidehouse, prepared for the New Jersey Board of Public Utilities, <u>Grid Modernization Study: New Jersey Board of Public Utilities (August 24, 2022)</u>,

2. In addition to offering incentives to electrify existing oil- and propane-fueled buildings, as well as buildings heated with older and inefficient electric technologies, what else should New Jersey be doing to successfully achieve its goals of electrifying buildings heated with these technologies?

May 29, 2024 - Public Hearing 3:

- A. <u>Strategy 6 of the 2019 EMP</u>: In order to implement the strategies outlined in the 2019 EMP, it is imperative that New Jersey communities find ways to move toward these goals, taking into account, low-moderate income ("LMI") communities, local preferences, and changes made at the state level. The State has a responsibility to facilitate equal access to and representation in the clean energy economy and all the opportunities and benefits it provides.
 - 1. How can current workforce development programs be further optimized or new programs designed to engage and increase participation from residents in LMI communities? How can the State ensure LMI communities have access to and can afford clean energy and energy efficiency measures, and other "bridge" programs (for example: home remediation or other financing)?
 - 2. How can the State further encourage county, municipal, and other jurisdictional participation in making climate investments and advancing the clean energy transition?
- B. <u>Strategy 7 of the 2019 EMP</u>: In order to implement the strategies outlined in the 2019 EMP, it is imperative that the state support the growth of in-state clean energy industries through workforce training, clean energy finance solutions, and investing in innovative research and development programs. Expanding industries like offshore wind, solar, and other clean energy industries will create jobs and grow the economy, while ensuring that the state meets its climate goals.
 - 1. As New Jersey continues to invest in building a clean energy workforce, how best can community-based partners such as non-profits, social service organizations, vocational schools, and county colleges play a role in preparing New Jersey residents for clean energy occupations? What emerging or existing clean energy technologies offer the biggest opportunity for near-term job training and placement?
 - 2. As New Jersey establishes policies and programs to develop an in-state clean energy supply chain, what else could the State be doing to support the development of the clean energy supply chain in New Jersey?

June 3, 2024 - Public Hearing 4:

- 1. Input on any of the above-listed questions for each of the three prior public hearings is welcome.
- 2. How should the State consider to streamlining programs for clean energy development, electric vehicles, building electrification, and other sectors?

Comments

The Board is accepting written and/or electronic comments.

The deadline for comments on this matter is 5:00 p.m. Eastern Time on June 12, 2024.

While all comments will be given equal consideration and will be made part of the final record of this proceeding, the preferred method of transmittal is via the Board's Public Document Search tool found at https://publicaccess.bpu.state.nj.us. Search for the docket number listed above, and post by utilizing

the "Post Comments" button. Emailed comments may also be filed with the Secretary of the Board, in pdf or Word format, to board.secretary@bpu.nj.gov.

Written comments may also be submitted to the Board Secretary, Sherri L. Golden, at the Board of Public Utilities, 44 South Clinton Avenue, 1st Floor, P.O. Box 350, Trenton, New Jersey 08625-0350. All emailed or mailed comments should include reference to Docket Number QO24020126.

All comments are considered "public documents" for purposes of the State's Open Public Records Act. Commenters may identify information that they seek to keep confidential by submitting them in accordance with the confidentiality procedures set forth in N.J.A.C. 14:1-12.3.

Please direct all questions about this matter to: EMPupdate@bpu.nj.gov.

NJBPU Staff looks forward to receiving and reviewing your comments. Thank you for your interest in the 2024 EMP.

Sherri L. Golden

Sherri L. Golden Secretary of the Board

Dated: May 14, 2024