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NOTICE¹

Energy Master Plan Update

Pursuant to the Open Public Meetings Act, N.J.S.A. 10:4-6 et seq., the New Jersey Board of Public Utilities (Board) has provided notice of three scheduled Public Hearings to solicit comments for an update of the 2011 Energy Master Plan. We request comments be focused on the specific Goals and Recommendations of the 2011 Energy Master Plan summarized in the following section of this Notice and regarding several areas that have emerged since 2011 as described in the second section below.

2011 Energy Master Plan Goals & Recommendations

The following is a summary of the 2011 Energy Master Plan goals and policy recommendations. The dates of the public hearing, the full 2011 Energy Master Plan, and all supporting documents can be accessed at <http://nj.gov/emp/>.

The 2011 EMP contains five overarching goals:

- Drive down the cost of energy for all customers;
- Promote a diverse portfolio of new, clean, in-state generation;
- Reward energy efficiency and energy conservation and reduce peak demand;
- Capitalize on emerging technologies for transportation and power production;
- Maintain support for the renewable energy portfolio standard of 22.5% of energy from renewable sources by 2021.

In addition to the overarching goals, the 2011 Energy Master Plan contains 31 policy recommendations in the four general sections of:

- Expand In-State Electricity Resources;
- Cost Effective Renewable Resources;
- Promote Cost Effective Conservation and Energy Efficiency;
- Support the Development of Innovative Energy Technologies.

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New Jersey has made good progress towards the five overarching goals and many of the 31 policy recommendations. Overall New Jersey has lower energy costs, while at the same time advancing energy efficiency, demand response and renewable energy. The State has fallen from a high energy cost state to a range that falls within the national average for total energy costs (electricity, natural gas, fuel oil and gasoline). The current vibrant and robust natural gas infrastructure in New Jersey has allowed New Jersey to take advantage of low natural gas prices, enabling residents to benefit from low energy costs and leading to New Jersey's overall lower energy costs. New Jersey gas utilities have invested over \$1 billion in infrastructure upgrades to improve efficiencies and safety.

In addition to the lower cost for energy, the State's electric energy resources are diverse and clean. New Jersey was recently ranked 46th in emissions from electric generation despite being the 22nd largest electricity generating state. This is a direct result of the state's current resource mix of nuclear, natural gas and renewables.

New Jersey continues to meet its renewable energy portfolio standards as nearly 15% of electricity supplied in the state comes from renewable sources; with solar accounting for almost 3% of the state's generation mix this energy year.

New Jersey has also had success in reducing energy usage through its support for demand reduction and energy efficiency technologies. New and changing challenges need to be met to continue growth in the implementation of energy efficiency technologies in a market that is still growing, but reaching maturity.

While overall there has been much progress on the implementation status of the goals within the 2011 Energy Master Plan, there is always room for improvement. For instance, New Jersey is on target to meet its goals for new distributed generation; however, the amount of new combined heat and power being developed is not on target to meet the goal. Potential new BPU and EDA programs and efforts will improve this trend.

Emerging Issues Since 2011

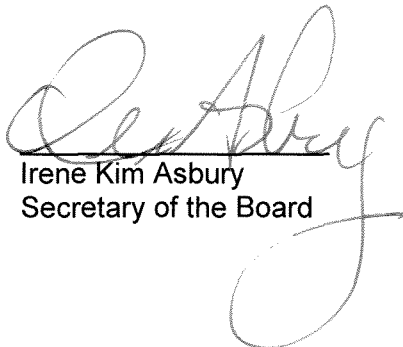
Since the release of the 2011 EMP, New Jersey suffered devastating damage from the impacts of Superstorm Sandy and other major storms and weather events. The Christie Administration has made it a priority to improve energy resiliency, and emergency preparedness and response. Therefore, the EMP Update should consist of a new section to address these high priority areas. Potential policy recommendations in this new section would be based on New Jersey's Plan for Action in the aftermath of Superstorm Sandy and may include the following:

- Protecting critical energy infrastructure,
- Improving the Electric Distribution Companies emergency preparedness and response,
- Increasing the use of microgrid technologies and applications for distributed energy resources (DER),
- Create long-term financing for resiliency measures through the Energy Resilience Bank.

The State of New Jersey is committed to providing information to the public as well as making sure that the public has the opportunity to provide input during this process. Therefore, the EMP Committee [as established in the Energy Master Plan Statute, N.J.S.A. 52:27F-14] invites comments from the public on the 2011 EMP's five major goals and 31 policy recommendations, as well as the new areas with regard to improving energy resiliency.

We ask those who are planning to attend any of the public hearings to pre-register by sending an email with your name, town of residence, business or group affiliation, hearing date you plan on attending, and whether you wish to speak at the hearing to EMPUpdate@bpu.state.nj.us. Walk-in registration for the hearings will also be available.

Written public comments on updates to the 2011 Energy Master Plan can be submitted by close of business on Monday*, August 24, 2015 to: EMPUpdate@bpu.state.nj.us.



Irene Kim Asbury
Secretary of the Board

Dated: July 22, 2015

*Revised: August 18, 2015

Persons interested in attending the above Meeting who require special accommodations because of disability should contact the Office of the Secretary of the Board at (609) 292-1599 at least three (3) days prior to the Meeting date so that appropriate arrangements can be made.