July 24, 2008

Jeanne Fox, President NJ BPU
New Jersey Board of Public Utilities
Two Gateway Center
Newark, New Jersey 07102

RE: New Jersey Energy Master Plan Proposal

Dear Mrs. Fox:

I serve as the President of the New Jersey Conference of Mayors (NJCM) the oldest and largest individual state mayors organization in the United States. The NJCM is proud of its forty five year history of being a leader in public policy issues in New Jersey and we are now pleased to make comments regarding the New Jersey Energy Master Plan (EMP).

On behalf of the NJCM, I am pleased to confirm our support for the goals of the EMP. Having sufficient energy supply at reasonable prices enables local government to provide its services to the people of this state and maintain stable tax rates. Energy conservation and use of green technologies will be increasingly important to the financial well being of the state economy and specifically to your local government operations.

The focus on conservation efforts and introduction of renewable energy systems are two areas in the EMP that the NJCM could and should provide some leadership. Municipal government can provide through conservation measures and renewable sources, an example of how New Jersey can reduce demand for fossil fuels and even reduce costs.

Mayors are uniquely positioned to encourage energy efficiency goals. With 566 municipalities, local government should lead by example in the need for conservation and the introduction of renewable energy sources. Municipal government can help in reducing carbon emissions and create partnerships with other public and private sectors such as civic and religious groups, academic institutions and business community. Mayors can and should be committed to take action to reduce energy consumption but the biggest obstacle would be inadequate financial resources.

The EMP should include some goals to encourage government agencies and particularly local government to promote energy efficiency, the introduction of renewable energy projects, the collaborating with other agencies or groups which will then encourage such reductions and work with industry to ensure sufficient supply of energy.
For example, Mayors and their municipal governments can help reduce the demand for fossil fuels by working more closely with the building sector. While homes and buildings are becoming more efficient all this new construction will require more energy. Mayors can engage their building and code officials to ensure that local building rules and programs are updated to encourage these goals to conserve and introduce renewable energy systems. Especially in the context of economic development projects or housing Mayors can ensure the implementation of such building techniques and encourage such new energy systems be introduced.

Mayors should undertake an energy audit to review operations and how conservation can be undertaken. Such an audit of municipal facilities and vehicle fleets should evaluate reductions or alternative energy sources that could be utilized. Audits that review and recommend actions such as retrofit HVAC systems or lighting controls will reduce consumption and lead to a reduction in energy bills to the municipality.

Together with an energy audit or separately Mayors can evaluate the installation of renewable energy systems such as solar. Other technologies such as small wind energy projects might even be useful to some towns.

While municipalities should and could lead as an example for the goals of the EMP some of these activities could be costly. Other activities might, however, provide savings in to a municipality. Therefore, while the NJCM supports specific recommendations in the EMP to encourage towns to undertake these activities, the EMP should recognize that the activities cannot be done if the result is increased costs to the municipality and resulting higher taxes.

The EMP could provide some guidance for creative financing or funding programs to provide an incentive to the towns to undertake these activities. State funded energy efficiency grants to towns and cities would be a preferred mechanism to fund these activities. State funding or financing programs similar to the New Jersey Environmental Infrastructure Trust might provide a vehicle to help municipalities finance not only conservation measures but installation of renewable energy projects. Mayors and local officials can also collaborate with the real estate development communities and energy distribution or generation companies to evaluate financing opportunities.

As president of the NJCM, I commend your efforts to seriously plan for the maintenance of this essential quality of life staple. The New Jersey Conference of Mayors stands ready to assist the State in reaching their objectives. Active participation and cooperation in working towards the goals of conservation and renewable energies is a priority for the NJCM. Please accept our sincere offer of support.

Sincerely,

Colleen Mahr
President

CC: NJCM Board of Directors
NJCM Legislative Committee
Richard Knight, NJCM Executive Director
Andrew Weber, NJCM General Counsel
Richard Mroz, NJCM Deputy General Counsel