



“Protecting Public Health and the Environment”

**STATEMENT ON THE CONSTRUCTION OF THE
STANDBY POWER GENERATION FACILITY**

September 9, 2021

I want to give a brief update on PVSC’s FEMA Hazard Mitigation Project, which includes the construction of a standby power generating facility, or SPGF.

At the May 2021 Commissioners Meeting, this Board directed PVSC staff to take a second look at the design of the SPGF to determine whether there are opportunities now to incorporate renewable energy sources into that design that were not present at the time the SPGF was originally designed due to limitations on the then-existing state technology and other limiting factors, such as the space PVSC has available for the construction of such facilities. In addition, and separate and apart from the Hazard Mitigation Project, the Board had previously directed PVSC staff to undertake a review of PVSC’s day-to-day operations for the same purpose – to determine how to incorporate advances in green technology into PVSC’s operations for the future.

At the June and July 2021 Commissioners meetings, we laid out a series of actions that PVSC would take in furtherance of these goals. I would like to update you on those actions.

1. Submission of Revised Title V Air Quality Permit to Eliminate of Peak Load Management.

On July 2, 2021, PVSC submitted a revised Title V Air Quality Permit to the New Jersey Department of Environmental Protection for the operation of the proposed SPGF. The Title V Permit is essentially the license pursuant to which PVSC would be allowed to operate that facility. As we previously reported, the revised permit resulted in a reduction of 720 hours of requested operation time per year, which would correspond to a 40% reduction in air emissions. NJDEP has deemed the resubmitted permit application to be administratively complete.

I want to be clear, however, that this should not be interpreted in any way as saying that PVSC is moving ahead with the SPGF as originally designed. That determination has not yet been made by either PVSC’s technical staff or, ultimately, by this Board. Rather, I am reporting this for purposes of transparency and to publicly update everyone on this administrative process. Should PVSC change its

plans on the SPGF, we may very well have to apply for yet another Title V permit modification in the future.

2. **Award of Contract for the Construction of SPGF Building.**

The opening of bid proposals for construction of the SPGF building was originally scheduled for June 29, 2021. Due to renewed public interest in the project, and again, at the direction of this Board to take another look at the SPGF design, PVSC originally agreed not to award that bid until its September Public Meeting at the earliest in order to facilitate additional investigation and additional public engagement. We then decided to extend that date until our October Public Meeting. We are now going to extend that date again until our November Public meeting, again, in order to facilitate additional investigation and to process information and materials that we have received as a result of our public engagement.

I want to be clear again – we are not saying that the award of the bid will definitely happen at the November Public Meeting. We are only saying that that is the earliest possible date that such an award would be made, and that date is certainly subject to change again.

Along those lines, I would encourage interested members of the public to check PVSC's website for the public meeting agendas to see whether resolutions related to the FEMA Hazard Mitigation Project will be considered at upcoming meetings. This Board is not fond of adding agenda items at the last minute and rarely does so. Even then, it is usually only done in cases of emergency. It has only happened on a handful of occasions that I can recall in my eight years here. I think it would be extremely unlikely given the interest in this particular matter. But again, I encourage those interested to check the agendas prior to the meetings.

3. **Public Meetings:** We announced that we would hold a number of public meetings for discussions, comments, and the acceptance of proposals.

We held two initial Workshop Meetings. The first was on July 22, 2021, from 6 to 8 p.m. Both meetings were virtual. The purpose of the Workshops were twofold. First, PVSC's Hazard Mitigation Project team gave presentations to explain the need for and purpose of the SPGF, the technologies that were considered – including renewable energy sources, and the design that was ultimately chosen. Both meetings also included time for public comment as well as questions and answers. We have also been taking in questions via email and answering those questions as well.

The next public meeting that PVSC will hold will be on Thursday, September 23rd, from 6:00 to 8:00 p.m. We had originally wanted to hold this meeting in person at the Ironbound Community Corporation's facility here in Newark. However, ICC requested that the meeting be held online due to concerns over the rising incidence in COVID-19 cases. We share those same concerns and although we would very

much like to have had an in-person meeting, we agree that this is not the best time to do so, so this will also be an online meeting.

The purpose of this meeting will again be twofold. First, we want to update the public on what PVSC has been doing over the last several months with regard to taking a second look at this project. Second, we want to give interested stakeholders another opportunity for comments and questions.

In that regard, PVSC also scheduled an Alternative Technologies Day on Tuesday, August 24, 2021. We invited any members of the public who wished to do so to meet with our technical team and present any alternative technologies or solutions for the SPGF that they might have. We did not have any individuals take us up on that offer.

However, we have met with and continue to meet with several industry consultants about potential alternative technologies and/or designs for the SPGF as well as for PVSC's day-to-day operations. We have been very pleased with these meetings so far are following up on several good leads. Several of these leads are the direct result of the work that one group of interested stakeholders have put into this project. Ken Dolsky, Liz Ndoye, and Matt Smith reached out to a multitude of their industry contacts about our project. We have met with several of those contacts and will continue to do so. But on behalf of PVSC, I want to personally thank those individuals for working with us. Although it's a little too early for us to discuss details, we are very encouraged by what we have learned so far. Indeed, Item A-20 on today's agenda – in which PVSC's staff will request the Board's approval to advertise for a solar energy project – is the result of one of the meetings we have held so far.

Finally, we are in the process of scheduling another public meeting for some time in October. At that meeting, we will discuss what we have learned so far and if we are in a position to do so, what effect that might have on what PVSC does with the plans for the SPGF, for our day-to-day operations, or for both in the future. If we need to hold additional public meetings past that, or reschedule that meeting, we will do so.

4. Online Information and Outreach.

At one of our previous Public Meetings, an interested stakeholder rightfully noted that PVSC's online presence was somewhat limited at best. To remedy that, and with regard to the SPGF project in particular, PVSC has since created a website dedicated solely to this project. Project information and updates are available on the website, and users can view that information in English, Spanish, and Portuguese. We have also Facebook and Twitter accounts for this same purpose. We will continue to update the public through these online methods as soon as information becomes available, and again, we very much appreciate the suggestion that led to us doing these things.

5. **Local Stakeholder Meetings.**

We previously reported that we had met with several local stakeholder organizations to discuss the SPGF project. We remain available to meet with these groups at their convenience. We had also hoped to offer on-site plant tours, but again, due to rising COVID concerns and renewed restrictions on non-essential visitors, that is not really an option at the moment and we simply do not want to unnecessarily risk anyone's health.

6. **Retention of Energy Consultant.** Finally, we advised that had retained an energy consultant to evaluate PVSC's regular operations in order to determine areas in which PVSC can further reduce carbon and other emissions. The consultant has been involved in the meetings that I previously described that we have held with other industry consultants. Again, it is too early in the process to report anything other than we have been very encouraged so far and have a number of leads to further investigation.

That's all I have at this time, and I will update everyone again at our October Commissioners Meeting.