



"Protecting Public Health and the Environment"

STATEMENT ON THE CONSTRUCTION OF THE STANDBY POWER GENERATION FACILITY

July 15, 2021

At the last Commissioners Meeting on June 10, 2021, PVSC commented about the FEMA Hazard Mitigation Project that PVSC has been undertaking for the past eight years as a result of the massive damage caused to PVSC by Hurricane Sandy. Among other resiliency measures, the project includes the construction of a standby power generation facility, or SPGF. Because the SPGF will operate during extreme conditions, reliability is the most critical factor. Different sources of fuel for the SPGF were investigated, including renewable energy sources such as solar and wind-generated power. Ultimately, it was determined that the renewable energy sources could neither provide the amount of power needed nor meet the necessary reliability standard. Accordingly, the SPGF was designed to run on natural gas. In order to mitigate any potential adverse effects to air quality, PVSC insisted that the SPGF have state-of-the-art emissions controls installed that go well above what is required by either the New Jersey Department of Environmental Protection or the United States Environmental Protection Agency.

At the last Commissioners Meeting, PVSC also commented on recent renewed public interest in the project, and in particular with regard to the use of natural gas to fuel the SPGF. PVSC advised that it is fully committed to engaging with stakeholders to discuss the project and any alternatives that may be available, and it announced a number of actions that are being taking to do so. The following is an update on those actions.

1. **Resubmission of PVSC's Title V Operating Permit to Eliminate Peak Load Management.** Along with operating the SPGF during natural disaster events, PVSC had also planned to operate the SPGF during times when PSE&G's grid was experiencing peak loading conditions. Operating the SPGF during those times – typically when the weather is extremely hot and many people are using their air conditioners, or conversely when it is very cold and many people are using their heaters – would have increased the reliability of the power supply to local residents, thus avoiding brownouts and blackouts. In response to local community concerns with regard to air quality, PVSC withdrew its Title V Operating Permit Application that would have allowed this type of operation. On July 2, 2021, PVSC submitted a new Title V Operating Permit Application that would not allow for operation of the SPGF for peak load management. This step alone has resulted in a reduction of 720 hours of operation time per year and a corresponding 40% reduction in air emissions.

2. **Construction of the SPGF Building.** PVSC advised that the opening of bid proposals for construction of the SPGF building was originally scheduled for June 29, 2021, but that PVSC would agree not to award the bid until its September Public Meeting at the earliest in order to facilitate additional public engagement. PVSC has decided to extend that date until our October Public Meeting, again, at the earliest.
3. **Public Meetings:** PVSC advised that it would schedule a number of public meetings for discussions, comments, and the acceptance of proposals. PVSC has scheduled those dates as follows:

Workshop Meeting No. 1 will be held on Thursday, July 22, 2021, from 6:00 pm to 8:00 pm. It will be a virtual meeting

Workshop Meeting No. 2 will be held on Thursday, August 12, 2021. This meeting will be both in-person and virtual. The time and location are still being determined, but it will be held in Newark.

Alternative Technologies Day will be held on Tuesday, August 24, 2021. Members of the public will have the opportunity to present suggestions for alternative technologies for the SPGF. This will be held at PVSC and presenters will be able to make appointments with respect to giving their presentations.

An **Evaluation of Proposals** will be held on Thursday, September 23, 2021, from 6:00 pm to 8:00 pm, hopefully at the Ironbound Community Corporation.

These dates have all been posted to PVSC's website and PVSC encourages everyone to check back frequently in case dates, times, or locations change.

In addition, all of these dates have been advertised in PVSC's newspapers of record, which include four papers in English, one paper in Spanish, and one paper in Portuguese.

4. **Local Stakeholder Meetings.** PVSC has also reached out to a number of local stakeholder organizations to advise them of the aforementioned dates as well as to offer to meet with them individually. So far, PVSC has met with the Newark Environmental Commission and the New Jersey League of Conservation Voters. Next week PVSC will be meeting with another group and its engineering consultants for them to present some preliminary ideas on the SPGF. PVSC will continue to meet with these groups and others at their convenience.
5. **Retention of Energy Consultant.** Finally, PVSC advised that it would retain an energy consultant to evaluate PVSC's regular operations in order to determine areas in which PVSC can further reduce carbon and other emissions. PVSC has done so and had a preliminary meeting with the consultant. In the very near future, PVSC will hold a meeting with the public and the consultant in order to help guide the consultant on any particular areas of interest or concerns that the public may have.