AGENDA

10:00 A.M.  Webinar Welcome
            Christine Schell, Office of the Asst. Commissioner, NJDEP

10:05 A.M.  Introduction to the RGGI Strategic Funding Plan
            Christine Schell, Office of the Asst. Commissioner, NJDEP

10:35 A.M.  Review of Public Input
            Christine Schell, Office of the Asst. Commissioner, NJDEP

11:00 A.M.  Question & Answer

11:45 A.M.  Next Steps & Closing Remarks
            Christine Schell, Office of the Asst. Commissioner, NJDEP
To leave a question or comment:

Enter your name and the organization that you represent.

Comments will be addressed during the open Q&A portion of the webinar.
Introduction to the RGGI Strategic Funding Plan
Christine Schell | NJDEP
Atlantic Cape Community College | NJDEP
November 7th

New Jersey Institute of Technology | NJBPU
November 18th

Rutgers University | NJEDA
November 25th

Township of Ocean | NJDEP
December 6th
Outreach

71 social media posts
• 138,197 Impressions
• 812 Engagements

232 Workshop RSVPs

12 Email Submissions
Feedback Mechanisms

• Written Forms
• Dot Voting
• Facilitated Breakout Sessions
• Email Submissions
# Back to the Future: New Jersey Rejoins RGGI

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**Global Warming Response Act (GWRA)**
New Jersey enacted the Global Warming Response Act, requiring the State to reduce economy-wide GHG to 1990 levels by 2020 and to 80% below 2006 levels by 2050.

**Global Warming Solutions Fund Act (GWSFA)**
New Jersey enacted the Global Warming Solutions Fund Act, which authorized the State to implement a market-based CO2 emissions trading program such as RGGI.

**Executive Order 7 (EO 7)**
New Jersey Governor Phil Murphy issued EO 7 directing New Jersey to re-enter RGGI and participate in the CO2 allowance auctions, which will be accomplished through DEP rulemaking. Through a simultaneously proposed but separate rulemaking, DEP will establish the framework for New Jersey’s participation in the RGGI auctions.

**Adopted RGGI Rules**
New Jersey adopts RGGI rules enabling the state’s reentry to the emissions trading program.

**NJ’s First Auction**
New Jersey is scheduled to participate in the first auction of 2020.
How Does RGGI Work?

• Regional greenhouse gas emissions cap is established

• States offer allowances for sale in quarterly auctions

• Electric Generating Units purchase allowances to equal emissions for 3-year control period

• States receive revenue from quarterly auctions to invest
How Much Money?

The amount of money received will depend upon the price of carbon at the time of each auction.

Best Guess:
$80 million in 2020

EDA
$48 Million

BPU
$16 Million

DEP
$8 Million + $8 Million
The Strategic Funding Plan

- The Global Warming Solutions Fund Rule requires the NJDEP, NJBPU and NJEDA to coordinate the use of RGGI funds through a Strategic Funding Plan developed at least every three years.

- The goal is for the agencies to work together toward common goals and find ways to compliment and amplify state funding to meet the State’s climate and clean energy goals and ensure investment in disproportionately impacted communities.

- This is an opportunity for you to provide input on the funding priorities to benefit your communities and New Jersey as a whole.
Identifies initiatives each agency will sponsor during the corresponding funding period.

Rank Initiatives
Ranks initiatives against six objectives by the state agencies. Each objective must be ranked critical to at least one initiative.

Report Out
Subsequent funding plans must report on previously funded projects and programs.
GLOBAL WARMING SOLUTIONS FUND ACT (GWSFA)
N.J.S.A 26:2C-52

- Allocates funding by percentage to three NJ Agencies
- Requires Agencies to spend RGGI funds within specific program areas

**P R O G R A M  A R E A S**
Required by GWSFA

**ALLOCATION**
Required by GWSFA

**EDA**
Commercial, Institutional, & Industrial Entities
60% of RGGI Proceeds

**BPU**
Low Income & Moderate Income Residential Sector
20% of RGGI Proceeds

**DEP**
Local Governments
10% of RGGI Proceeds

- Forest & Tidal Marshes
10% of RGGI Proceeds

**PROGRAMS TO SUPPORT:**
- End use energy efficiency projects
- New, "State of the Art", efficient electric generation facilities
- Combined and Heat Power production and other high efficiency electric generation facilities
- Innovative carbon emissions abatement technologies
- Development of qualified offshore wind projects

**PROGRAMS TO:**
- Reduce electricity demand
- Reduce costs to electricity customers
- With a focus on urban areas, and includes efforts to address heat island effect and reduce impacts on ratepayers attributable to the implementation of Global Warming Response Act

**PROGRAMS TO:**
- Plan, develop and implement measures to reduce GHGs, including, but not limited to assistance to conduct and implement:
  - Energy efficiency
  - Renewable energy
  - Distributed energy programs
  - Land use planning (where results are a measurable reduction of GHG emissions or energy demand)

**PROGRAMS TO:**
- Enhance the stewardship and restoration of State's forests and tidal marshes that provide opportunity to sequester or reduce GHGs
Strategic Funding Plan Objectives

1. Net reduction in greenhouse-gas emissions or net sequestration of carbon.

2. Significant reductions in greenhouse-gas emissions or energy demand and/or significant contribution to the achievement of the state's 2050 Global Warming Response Act limit (relative to cost).

3. Reduce energy use.

4. Be directly responsive to the recommendations submitted by the Department to the Legislature pursuant to the Global Warming Response Act.

5. Provide co-benefits to the state.

6. Be directly responsive to the negative effects on human health and the environment in communities that are disproportionately impacted by the effects of environmental degradation and climate change.
Net reduction in greenhouse gas emissions or net sequestration of carbon.
Strategic Funding Plan Objective #2

New Jersey's Greenhouse Gas Reduction Targets Including Clean Energy Act Mandates

Significant reductions in greenhouse gas emissions or energy demand and/or significant contribution to the achievement of the state's 2050 Global Warming Response Act limit (relative to cost).
Strategic Funding Plan Objective #3

Reduce energy use.

New Jersey Primary Energy Consumption (Trillion BTUs) 1960-2016
Be directly responsive to the recommendations submitted by the Department to the Legislature pursuant to the Global Warming Response Act.
Strategic Funding Plan Objective #5

Provide co-benefits to the state.
Strategic Funding Plan Objective #6

Be directly responsive to the negative effects on human health and the environment in communities that are disproportionately impacted by the effects of environmental degradation and climate change.
Governor’s Funding Priorities

Electrification of transportation in the State.

Provide meaningful benefits to communities most affected by pollution and climate change
What is the Scoping Document?

The Scoping Document is:

- A tool to educate the public about the legal and regulatory framework surrounding the distribution of RGGI auction proceeds
- Provides *example* initiatives that put the framework into context
- Explains the Governor’s funding priorities

The Scoping Document is not:

- A draft strategic funding plan
- A summary of the final initiatives that will be funded by the state agencies
Example Funding Initiatives
Initiative 1: Clean Transportation

Initiative One seeks to accelerate transportation electrification in the State, focusing on programs and projects that will have a beneficial impact on communities disproportionately impacted by the effects of environmental degradation and climate change.

Agency Sponsor(s): NJEDA
Initiative 1:
Clean Transportation

Feedback

Public Comments

1. Electrify public transportation in low- and moderate-income communities.
2. Increased access to public charging stations / hubs.
3. There is no mention of last mile solutions i.e. bike lanes, smart growth.
4. Make the Transit Village and Main Street NJ programs more proactive.
5. Decarbonize freight transportation. Require electrification hookups for these trucks at warehouses and ports.
Initiative 2: New Jersey Green Bank

Initiative Two seeks to increase the pace of clean energy investment through the creation of the New Jersey Green Bank. RGGI funding would be used by the NJEDA to capitalize a Green Bank to provide direct loans, or financial enhancements to support private lending.

Agency Sponsor(s): NJEDA
Initiative 2: New Jersey Green Bank Feedback

Public Comments
1. Incentivize the following:
   a. Manufacturing of solar panels in New Jersey.
   b. Supply chain for offshore wind.
   c. Manufacturing of electric trucks and sub-component parts.
   d. Nuclear energy.
   e. Development of community financial institutions.
   f. Moving private industry towards clean energy.

2. Concerns about duplication with the I-Bank.
Initiative 3: Community Clean Energy Microgrid

Initiative Three seeks to reduce electricity consumption in low- and moderate-income (LMI) households through the development and implementation of a Community Clean Energy Microgrid (CCEM) program, a coordinated, comprehensive, and holistic neighborhood energy approach for all LMI single- and multi-family building customers.

Agency Sponsor(s):
Public Comments
2. Many residents from Environmental Justice communities rent, and it is very difficult for them to have access to Renewable Energy.
3. There is a need for energy efficiency projects in residential sector (insulation, windows, boilers.)
4. Vehicle to Grid (V2G) technology.
5. Microgrids should be limited to renewable power sources.
Initiative 4: Net-Zero Energy Solutions for Waste Management

Initiative Four seeks to reduce emissions from waste disposal. Funding would be provided to facilities for net-zero energy use through the implementation of proven technologies and best practices in the areas of energy conservation, demand reduction and enhanced production.

Agency Sponsor(s):
Public Comments

1. Support for Waste to Energy plants like in the Scandinavian countries. Biogas or landfill gas can be upgraded to CNG quality and can be used for clean transportation for local school buses and garbage trucks etc.

2. Fund municipalities to invest in collecting organic waste (food waste, brush, etc.).

3. Industrial composting at multi-unit residential buildings and large industrial facilities and academic centers.
Initiative 5: Beneficial Role of New Jersey Forests in the Carbon Cycle

Initiative Five seeks to promote, protect and maintain the beneficial role of New Jersey forests in the carbon cycle.

Agency Sponsor(s):
Initiative 5: Beneficial Role of New Jersey Forests in the Carbon Cycle

**Feedback**

**Public Comments**

1. Urban reforestation projects and programs.
2. Forests provide many co-benefits not only carbon sequestration but also, storm water management, reduce urban heat island effect and remove pollutants from urban areas.
3. RGGI funds should support projects that preserve our intact contiguous forest and not fragment our forests.
4. Forest inventory should identify where natural sequestration processes are working well and designate these areas for protection.
5. Restorative agriculture.
Initiative 6: Sequester “Blue Carbon” in Coastal Habitats

Initiative Six seeks to promote, protect and maintain the beneficial role of New Jersey tidal marshes in the carbon cycle.
Initiative 6: Sequester “Blue Carbon” in Coastal Habitats

Feedback

Public Comments
1. Wetland / Tidal Marsh sequestration has the highest carbon removal potential but the shortest timeline to be implemented due to sea level rise; add focus of wetland resiliency to benefits of restoring them in conjunction with carbon sequestration.

2. Dredging should have more focus placed on it (restoration, sampling, procedure and money that goes into it). Municipalities need assistance.

3. Much attention has been given to the coast and the Delaware Bay Shore has been overlooked.

4. Co-benefit of restoring wetlands is hurricane relief. The final plan should emphasize this since more intensive storms are expected for New Jersey.
Initiative 7: Strengthen Clean Tech Innovation

Under this initiative, NJEDA could provide funding and in-kind assistance to strengthen clean tech innovation in the state through support for the innovation ecosystem (e.g., incubators, proof of concept centers, research databases, etc.), the funding of individual early-stage clean tech companies and entrepreneurs, and support for basic research.

Agency Sponsor(s): NJEDA
Initiative 7: Strengthen Clean Tech Innovation

Feedback

Public Comments

2. Create a framework where governments or recipients of funding require local job guarantee.

3. Wind farms can provide NJ with best opportunities for job creation and should be prioritized.

4. Prioritize the incentivization of startup ventures that do not rely on animal agriculture (i.e. plant based & cell based meat).

5. Focus on energy consumption and energy generation.
### Example Funding Initiatives

#### Objectives

1. A net reduction in greenhouse gas emissions or a net sequestration of carbon;  
   - **Initiative 1**: Clean Transportation
   - **Initiative 2**: New Jersey Green Bank
   - **Initiative 3**: Community Clean Energy Microgrid
   - **Initiative 4**: Net-Zero Energy Solutions for Waste Management
   - **Initiative 5**: Beneficial Role of New Jersey Forests in the Carbon Cycle
   - **Initiative 6**: Sequester “Blue Carbon” in Coastal Habitats

2. Significant reductions in greenhouse gas emissions, reduction of impacts on ratepayers, and a significant contribution to the achievement of the State’s 2050 Global Warming Response Act limit, relative to the cost of the project or program;  
   - **Initiative 2**: New Jersey Green Bank

3. Reduction in energy use;  
   - **Initiative 3**: Community Clean Energy Microgrid
   - **Initiative 4**: Net-Zero Energy Solutions for Waste Management

4. Be directly responsive to the recommendations submitted by the Department to the Legislature pursuant to the Global Warming Response Act;  
   - **Initiative 1**: Clean Transportation
   - **Initiative 3**: Community Clean Energy Microgrid
   - **Initiative 5**: Beneficial Role of New Jersey Forests in the Carbon Cycle

5. Provide co-benefits; and  
   - **Initiative 1**: Clean Transportation
   - **Initiative 3**: Community Clean Energy Microgrid
   - **Initiative 5**: Beneficial Role of New Jersey Forests in the Carbon Cycle

6. Be directly responsive to the negative effects on human health and the environment in communities that are disproportionately impacted by the effects of environmental degradation and climate change.  
   - **Initiative 1**: Clean Transportation
   - **Initiative 3**: Community Clean Energy Microgrid

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#### Key

- **NJBPU**
- **NJEDA**
- **NJDEP Local Govt.**
- **NJDEP Marsh/Forest**
1. Make sure language is clear that emission reductions happen in EJ communities. EJ communities must foster true ownership of project.

2. Many of the residents from Newark (for example) rent homes, and it is very difficult for them to have access to renewable energy, since it typically requires home ownership.

3. Make sure that material is available in multiple languages.

4. Make clean transportation applicable to EJ communities.
1. Improved air quality.
2. Completion of projects.
3. Reduced fossil fuel consumption.
4. Reduced cost of energy.
5. Cost benefit analysis.
6. Reduced emissions.
7. Making sure to report results to the public.
8. Justify the number of projects before you begin.
11. Reliability – does the project work? For example, a renewable energy project, is it supplying the energy/performing as proposed.
12. Performance criteria, what are benefits (resilience, carbon sequestration, habitat restoration).
Additional Feedback | Economic Co-benefits

1. Job creation.
2. Apprenticeships and prevailing wage.
3. Work with higher education and community colleges to work on high tech vehicles.
4. Supply chain jobs for wind would be a good job creator for New Jersey.
5. Installation of EV chargers will require more electrician and fewer mechanics.
Additional Feedback | Outreach & Communication

1. Educate young students about the importance of clean energy. They will grow up more responsibly and become community leaders. Education and awareness overall should be prioritized.

2. Find a way to work with Sustainable Jersey and have resources for communities.

3. Coordination of agencies to sync up dates with the initiative deadlines and agencies should work together on all initiatives for the greater benefit overall.

4. Community ambassadors who are trained to talk about projects/programs.

5. Create a crowdsourcing funding campaign, as a way for the public to donate to RGGI.
Q&A Panelists

Christine Schell
Office of the Assistant Commissioner of Air Quality, Energy and Sustainability, New Jersey Department of Environmental Protection

Jonathan Ratner
Clean Energy/Green Finance Officer, New Jersey Economic Development Authority

Mike Winka
Senior Policy Advisory, New Jersey Board of Public Utilities
To leave a question or comment:
Enter your name and the organization that you represent.
Comments will be addressed during the open Q&A portion of the webinar.
Contact Us: njrggi@dep.nj.gov

Website: nj.gov/rggi/