Dear Mr. Tramontozzi,

The New Jersey Department of Environmental Protection (Department) has reviewed PVSC’s Draft Standby Power Generation Facility Project Environmental Justice Law and Administrative Order (AO) 2021-25 Compliance Statement dated February 2022. Based on the information provided and representations made therein, the Department offers the following technical comments for your consideration:

1. **General Comments:** Please ensure that PVSC’s analysis focuses on the environmental and public health stressors associated with the project that are directly related to or may be experienced by the host community including, but not limited to: (1) whether and how the project relates to environmental, health and safety of the host community; (2) whether and how the project relates to the reliability of PVSC services that directly benefit the host community; (3) whether and how the project is or could be configured to avoid or reduce any potential environmental or public health stressors within the host community, including any alternatives or changes to the project that have been considered; and (4) the stressor avoidance measures to which PVSC would permanently commit, including, if applicable, potential reductions in facility-wide emissions and any appropriate commitments to reduce or phase out facility reliance upon natural gas.

2. **Section II (Demand Response Request):** Please provide additional information on PVSC’s current participation in the PJM Demand Response Program, including details about whether and how its proposed future participation would impact or benefit the host community.

3. **Section II (Storm Preparation Mode):** Please provide further clarification of the proposed operation during Storm Preparation Mode. PVSC notes that, “Fluctuations in PVSC’s power supply can have severe impacts on operations, even when the fluctuations last less than one (1) second,” and “starting up the SPGF itself would take less than a half-hour. Connecting the SPGF to the facility’s electrical systems would take several hours.” While this describes situations in which a utility power outage can be predicted, the Department requests additional technical details concerning how the SPGF starts up and is integrated during unexpected utility power outages.

4. **Section II (Table 1):** The 93.0 hours per year number listed for the Scenario of Steady State does not match the description under the Basis, which states that this operation would occur 12 times per year, 6 hours per run. The Steady State hours per year should be 72.0 based on the information provided, instead of 93.0. Please provide clarification.
5. **Section V (Changes to Project Scope):** Please provide additional information on PVSC’s evaluation of renewable energy sources, i.e., solar, wind, and battery storage, to support the conclusion that these could not feasibly replace the SPGF, entirely or partially.

6. **Section V (Changes to Project Scope):** The response for Item 5 (first list, page 27) references the use of diesel generators for emergency electrical power and fire pump engines, along with renewable fuel sources. The current application under review by the Department only indicates the use of natural gas as a fuel, not diesel generators and no indication of using renewable fuel sources. Please clarify whether PVSC is proposing to change the way it currently operates its equipment and will modify its current application by submitting a revised application to the Department.

7. **Section V (Changes to Project Scope):** Items 4, 5, 6, and 8 (second list, pages 28-29) reference additional upgrades to equipment at the facility for further emissions reductions; however, these are not part of any current permit application under review. Please clarify whether PVSC is intending to reduce its allowable emissions and will modify its current application by submitting a revised application to the Department. If the proposed upgrades are to be considered as part of PVSC’s efforts to address environmental and public health impacts to the host community, PVSC should clarify and provide schedule on when PVSC intends to implement these additional measures for emissions reductions.

8. **Section VII (Environmental Impacts to Host Community):** Please note that the estimates set forth in this section are preliminary estimates by the facility that must be more thoroughly reviewed by the Department for methodology and approach as part of the detailed permit technical review conducted by the air quality permitting program.

9. **Section IX (Overall Impacts to Facility-Wide Emissions):** It is not clear whether the values in the table on page 46 are based on actual emissions or potential to emit (permitted allowable limits). Please clarify if the benefits are based on actual emissions or potential to emit, and ensure consistency in calculation, or do the calculation for both but separately. Additionally, PVSC should clarify when any claims of emissions reduction would be implemented, be it as part of the current application or as future projects.

The Department appreciates the opportunity to provide technical comments on the PVSC’s Draft Compliance Statement. Please adjust the compliance statement with above noted comments and resubmit by March 14, 2022. Upon receipt, the Department will authorize PVSC to move forward with the public process required under AO 2021-25.

Should you have any questions, or need additional information, please contact the Office of Permitting and Project Navigation at (609) 292-3600.

Thank you,

David Pepe, P.G.
Supervisor
Office of Permitting & Project Navigation