



March 10, 2020

VIA ELECTRONIC MAIL

NJDEP-BAQP@dep.nj.gov

RE: PRELIMINARY COMMENTS ON NJDEP NJPACT RULEMAKING EFFORT – REDUCING CO₂ EMISSIONS IN NJ

To Whom It May Concern:

On behalf of our members, the Chemistry Council of New Jersey (CCNJ) appreciates the opportunity to provide the following preliminary comments to the New Jersey Department of Environmental Protection (NJDEP) on the potential pathways to reduce carbon emissions in the state to achieve the goals of 80% reduction in greenhouse gas (GHG) emissions from 2006 levels by 2050 and 100% clean energy by 2050, as presented at the stakeholder meeting held on February 25, 2020.

The business of chemistry is committed to promoting a cleaner environment. The industry has made changes to its operations which has allowed the industry to reduce its Toxic Release Inventory (TRI) emissions by more than 93 percent since 1988 and to significantly reduce carbon emissions. New Jersey chemical industry products and technologies support the fight against climate change in applications such as renewable energy sources, electric and high-efficiency vehicles and building materials that reduce energy consumption. Our scientists are developing new emissions reduction technologies and clean energy alternatives to protect the environment and sustain our quality of life.

General Comments

Before regulating carbon emissions or imposing caps, the state should focus on policies that will not put the state in an economic disadvantage and should foster the development and implementation of any new technologies that will assist in further reducing emissions. Our industry has been, and continues to be, committed to decreasing its GHG footprint and we are glad to be a part of the on-going debate on this very important issue. However, while we are an energy intensive industry, we are an industry that manufactures the very products that will allow other industries and the general public to become more energy efficient and help reduce their GHG footprint. ***For every ton of carbon dioxide (CO₂) emitted in manufacturing the products of chemistry, two tons of CO₂ emissions are saved.***

For years, our members have been reducing their GHG emissions on a voluntary basis by investing in energy efficiency and renewable energy. Members already contribute a significant amount to the energy efficiency fund under the Office of Clean Energy each year. Those who have been working hard to make these significant strides should be credited for their accomplishments thus far, not penalized by being forced to pay more into another fund, especially when it remains a struggle and administrative challenge to currently recover funds from the state for projects. Our members are environmentally responsible and take environmental compliance very seriously. We encourage the NJDEP to keep in mind the cost of doing business in New Jersey, which continues to increase every year, with no significant human health or environmental benefit.

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While we realize that CO₂ represents the largest proportion of GHG emissions, the NJDEP has acknowledged that most of New Jersey's air pollution comes from mobile sources; this rulemaking will be ineffective in CO₂ attainment due to the mobile and trans-border characteristics of CO₂ emissions and impacts. When you evaluate the data, which shows that emissions from major facilities are decreasing because of better controls/pollution prevention and process improvements, it is clear that point sources in New Jersey are not the problem.

Regarding this specific stakeholder process, CCNJ strongly recommends that Electric Generating Units (EGUs) at critical infrastructure manufacturing facilities be exempt from any rules developed as these EGUs are part of members' disaster recovery plans.

Short-Term Strategies

CCNJ members have already switched to the lowest carbon intensity fuel available (i.e. natural gas). As it relates to this rulemaking effort, CCNJ believes that there should be some sort of consideration for companies that have already switched to low carbon intensity fuels in advance of these regulations being adopted. Our members who have already taken the initiative to reduce their CO₂ emissions should not be penalized with further reduction requirements; at the very least, any further reductions should be implemented on a delayed schedule.

At the February 25, 2020 stakeholder meeting, the NJDEP presented three short-term strategies to reduce CO₂ from non-EGU facilities, one of them being "Increasing efficiencies". Energy efficiency is a core operating principle for many CCNJ members, who are constantly exploring options to improve their processes to make them more efficient. As our members identify projects that improve efficiencies, we encourage the NJDEP to act on these open permit applications, as they readily benefit this short-term objective and well align with the long-term goal of 80% reduction in GHG emissions.

If an allowance program or performance standard is implemented, CCNJ encourages the NJDEP to provide flexibility for companies to select an option themselves. If only one choice is given, a performance standard would be preferable by our members.

CCNJ and its members remain committed to being solution providers that help the state achieve its goal and address the negative impacts of climate change, while protecting the investments made by business of chemistry companies employing more than 40,000 people in New Jersey.

We would like the record to reflect our support of any comments submitted by members of CCNJ.

Thank you for your consideration of our comments on this very important rulemaking effort. We look forward to continuing to work with the NJDEP on this and other matters of critical importance to CCNJ members. If I can be of further assistance, please let me know.

Sincerely,



Dennis Hart
Executive Director