



## MEMORANDUM

**TO:** Members of the New Jersey Energy Master Plan Committee

**FROM:** Debra P. DiLorenzo, President & CEO, CCSNJ

**RE:** New Jersey Energy Master Plan

**DATE:** September 12, 2019

The Chamber of Commerce Southern New Jersey (CCSNJ) appreciates the opportunity to provide comments to the New Jersey Energy Master Plan (EMP) Committee and the New Jersey Board of Public Utilities (NJBP) as a part of the public participation process. The CCSNJ commends Governor Murphy for his ambitious goal to achieve 100 percent clean energy in New Jersey by 2050, but also respectfully requests other energy sources be included in the final EMP.

The CCSNJ is proud to have a diverse membership base with several member companies in both wind and solar energy production, as well as many of the traditional utilities and nuclear energy providers in the state. The varying types of energy production companies reflected in our membership mirrors the diversity we believe the EMP should contain in its final form. ***Simply put, the more options our residents and businesses have as it relates to energy production in New Jersey, the more affordable it will be.***

The CCSNJ commends the Murphy Administration for moving forward with the procurement of up to 1,100 MW of **offshore wind energy**, which will help serve the state with clean energy while fostering a new industry that will create opportunities for jobs and economic development. As the wind industry grows, New Jersey will reap the benefits of job growth in this state-of-the-art industry, as well as the advantages of the offshore wind supply chain required to support projected offshore wind deployment levels. The CCSNJ also supports **solar development** at sites such as landfills, brownfields, warehouses, and government facilities that provide potential for larger installations and would return unproductive or underutilized sites to societal use. Both wind and solar energy production should be a large piece of New Jersey's energy future and the CCSNJ is pleased to see the Administration's heavy focus on both in the draft EMP.

However, the CCSNJ believes that **natural gas** should also be considered in the clean energy goals of the final EMP. Natural gas is a cost-effective, clean energy alternative, which to date is the only fuel source in New Jersey that can lower overall energy costs for residents and businesses, as well as offset a greater investment in more expensive solar and offshore wind. Additionally, natural gas minimizes cost impacts to the state's most vulnerable residents on low incomes and provides a more affordable business environment in the years ahead.



Considering the important role that natural gas plays in the state's overall energy picture, we believe it is critical that the state's natural gas supply infrastructure be expanded. To that end, New Jersey should encourage new **in-state and interstate pipeline capacity** in order to capitalize on the abundant and affordable supply of clean natural gas in the Marcellus Shale, which is among the most affordable energy supplies in the world. This also must be reflected in its permitting to ensure a fair and transparent process for both federal and state projects that have been deemed in the public benefit and safe for the environment.

Additionally, **nuclear energy** provides much needed fuel diversity throughout our State and should be recognized in the final EMP. In 2015, Salem and Hope Creek nuclear plants accounted for 37 percent of the overall electric generation in New Jersey. Nuclear energy also prevents CO2 and other greenhouse gas emissions, making it a clean energy alternative and one that plays an important role in the state's ability to comply with air emission reduction requirements. Continuing generation of nuclear power is critical to the clean energy goals set by the draft EMP.

Substantively, the CCSNJ has some concerns about **the cost to the state's economy**, which is not discussed in the draft EMP. Before the EMP is adopted, an economic analysis by an independent outside organization should be performed to fully understand what the costs and impacts will be. Energy costs impact our competitiveness and are a key factor in business location and profitability. New Jersey's elderly and low-income residents are also disproportionately impacted by higher costs for heat and electricity. Given the importance of energy costs to our economy, the CCSNJ is concerned that the draft EMP does not speak to costs or economic impacts beyond minor references to "least cost" solutions. We respectfully request this be addressed in the final EMP.

In conclusion, the CCSNJ is excited to see New Jersey's energy landscape change with a greater emphasis on wind and solar energy production but encourages the NJBPU to consider other types of energy generation – some of which are cost-effective and clean energy alternatives – in the final Plan. Lastly, it is imperative that the issue of cost is addressed to assure the state's energy options are affordable for our residents and businesses.

Thank you for the opportunity to comment on the draft New Jersey Energy Master Plan.