From: <u>Mary Ellen Peppard</u>
To: <u>comments, EMP</u>

**Subject:** [EXTERNAL] Energy Master Plan

**Date:** Monday, September 16, 2019 11:36:57 AM

Attachments: <u>image001.png</u>

September 16, 2019

The Honorable Joseph Fiordaliso President New Jersey Board of Public Utilities 44 South Clinton Avenue Trenton, NJ 08625

## Dear President Fiordaliso:

The New Jersey Food Council is a trade association representing food retailers, including supermarkets, independent grocers and convenience stores, and their supplier partners. We appreciate the opportunity to provide comments on the Draft Energy Master Plan.

This proposal outlines strategies for the State to achieve 100 percent clean energy by 2050, defined as 100 percent carbon neutral electricity generation and maximum electrification of the transportation and building sectors. Many of the proposed initiatives will have an impact on NJFC members, as the energy load of a supermarket and major convenience store is significant. Food retailers typically consume large amounts of energy due to refrigerator and freezer operations which are necessary to keep perishable food safe for consumption. Many stores are open 24 hours a day, seven days a week, and the energy required to keep the lights on both inside and outside of these stores is significant.

NJFC understands the importance of reliable and diverse energy sources. However, we are concerned about the potential impact of the draft plan on electric generation costs. The draft plan does not address the costs of moving toward carbon neutral energy sources. Energy costs need to be considered as a significant factor in developing new policies. NJFC members operate on very small margins of approximately 1 percent, and are challenged with rising costs in other areas besides energy. Significantly increasing energy costs will have a detrimental impact on food retailers' ability to thrive and invest in their communities.

We are pleased that the plan acknowledges that some proposed initiatives are not yet feasible

due to technological barriers. It is important that the plan allow for flexibility as technology advances will provide for additional clean energy options and solutions in the future. New Jersey residents and businesses will need time to adjust to new products and systems.

NJFC members would like to be able to take advantage of potential opportunities for investment in energy efficient technologies. However, many of our retail member companies lease their buildings and properties, and are not necessarily able to utilize certain energy efficient options, such as solar panels or electric vehicle charging stations.

Some NJFC retail members with fuel have been able to install a limited number of electric vehicle charging stations at their stores in other states, and have learned important best practices from these experiences. It is important for retailers to partner with energy suppliers that support providing the optimal customer experience. Since there are relatively few customers driving electric vehicles, retailers must be able to reserve the majority of spaces in their parking lots and fuel stations for traditional gas powered vehicles. The State should not mandate a minimum number of dedicated electric vehicle spots in commercial parking lots. The development and implementation of policies pertaining to electric vehicles should be market driven, it should not be controlled by the utilities.

Additionally, a significant challenge is the very high utility demand charges for peak daytime energy use. The State could consider providing subsidies to businesses that want to offer their customers the option to charge electric vehicles on their properties. New Jersey could consider a program similar to Pennsylvania's "Driving PA Forward" rebate program to help defray the costs of installation, expansion, or maintenance of charging stations.

Thank you for considering the views of the New Jersey Food Council. Please contact me at 609-392-8899 or <a href="mailto:mpeppard@njfoodcouncil.com">mpeppard@njfoodcouncil.com</a> if I can provide additional information about this issue.

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