



September 12, 2019

TO: Energy Master Plan Committee
Chair, Grace Strom Power
44 S Clinton Avenue
Trenton, NJ 08625

FROM: Ed Potosnak, Executive Director
New Jersey League of Conservation Voters
707 State Road, Suite 223
Princeton, NJ 08540

RE: Final Comments on the Draft 2019 Energy Master Plan

The **New Jersey League of Conservation Voters** would like to thank the Energy Master Plan (EMP) Committee for undergoing this extensive draft Energy Master Plan stakeholder process and adding additional hearings around the state to diversify input. We are proud to have worked extensively with the Administration and Legislature on the Clean Renewable Energy Bill, and were honored to stand with BPU President Fiordaliso as the EMP Executive Order was signed by Governor Murphy.

New Jersey LCV largely supports the draft Energy Master Plan. Overall, we believe this is a strong document, setting a bold vision for a clean energy and decarbonized economy that will catalyze continued growth in clean energy jobs that already employ over 52,000 people. The draft EMP showcases a significant paradigm shift in vision from previous administrations. This is further elucidated by the fact that our largest emitting sector in the state – transportation – is included in this draft. In addition, this draft calls for an incredibly visionary goal – ending natural gas hook-ups to new residential households. The draft plan lays a foundation to electrify heating in our residential sector and significantly reduce the demand for natural gas and we look forward to working with the administration, legislature, and our partners to make this a reality. With recent IPCC Reports, major, record breaking hurricanes, and global rising emissions, a strong and visionary EMP has never mattered more.

While we applaud this document, critical improvements are needed to realize the Governor’s clean energy vision, including:

- I. **Definition of “Clean Energy”;**
- II. **Transportation;**
- III. **Catalyzing an Energy Efficient, Electrified, and Decarbonized Residential Sector;**
- IV. **Community Solar Portal;**
- V. **Accessibility; and,**
- VI. **Accessing Clean Energy Program Offerings.**



I. Definition of “Clean Energy”

The definition of clean energy runs antithetical to the goals and vision of this administration. While the EMP signifies a swift transition away from fossil fuels, it uses problematic language in the definition clean energy including “carbon neutral,” which could keep the door open for natural gas to linger longer in our energy mix. We strongly urge the final EMP to call out natural gas and explicitly state that it is not a clean energy source.

Unproven technologies like carbon capture and sequestration should not drive redefinition of clean energy. “Carbon Neutral” ignores the much needed and important benefits of expanding clean energy – which are critical to reducing emissions and co-pollutants in environmental justice communities disproportionately negatively impacted by the cumulative impacts of energy production and industrialization. “Carbon neutral” power production environmental justice communities will still spew pollution into the air further degrading air quality and harming the health families and businesses in the community. It does not go unseen that nearly all New Jersey counties receive D’s and F’s on the [American Lung Association’s “2019 State of the Air” Report](#). We should not incentivize or embrace technological innovation that further facilitates and expands the use and lifetime of fossil fuels.

Furthermore, the EMP needs to outline, in specific and measurable short-term and long-term strategies and methods to ensure that the state monitors, evaluates and achieves its Global Warming Response Act goals of 80% economy-wide greenhouse gas emission reductions by 2050 from 2006 levels. Within this policy framework, the state also needs to develop strategies to address any leakage of greenhouse gas emissions to other states that may arise from expanded renewables and flexibility in our in-state generation mix and from shifting natural gas generation to other states. New Jersey’s goal should go beyond meeting the Global Warming Response Act goals and **reduce our economy-wide emissions to zero by 2050**. This is aligned with the recent IPCC report.

Continued, the state needs to **use all of its authority to permanently deny all new and proposed fossil fuel projects and infrastructure that don’t meet our states stringent standards that protect our communities and environment**. In addition, the EMP committee should require the BPU, DEP, and any other relevant agencies to develop a process to evaluate proposed fossil fuel projects for consistency with the EMP and Integrated Energy Plan (IEP), and to incorporate this consistency determination into their regulatory and rate recovery review of such projects. By building out new projects and infrastructure, it could make achieving these goals unrealistic, straddle rate-payers with costs emanating from stranded-assets, run contrary to the goals and vision espoused by the Murphy Administration, and cause New Jersey to cede all leadership as a national leader in catalyzing the clean energy economy.



Moreover, we look forward to staying involved in the IEP process and identifying low-cost pathways and pathways that spur significant economic development benefits to reach the strong goals outlined in this document and through Governor Murphy's commitments. It is solely for this reason that New Jersey LCV understands why an increase in the Renewable Portfolio Standard (RPS) was not specifically called for at this time. We recognize the need to take an informed approach to increasing our renewable portfolio standard that expands renewables and flexibility and ensures reliability of the grid in pathways that we've outlined above through the IEP.

II. Transportation

New Jersey Transit should be following other major transit authorities around the country and commit to electrify, not moving toward or keeping the door open for "renewable natural gas" as mentioned in Goal 1.1.6. New Jersey is procuring over 500 conventional diesel buses this year and next, which will have lasting consequences on our ability to meet our GWRA goals, while continuing to be a major source of localized air pollution. Over 60 transit authorities in the country are moving swiftly to 100% electric bus fleets, including: LA County MTA to electrify all of its 2,200 buses by 2030 and New York MTA to electrify all of its 5,700 buses by 2040 to name a few. New Jersey Transit needs to be following suit through supply-chain benchmarking - **with percentages of electric buses in each procurement to increase from 15% in 2021 to 100% by 2030 – and an entirely electrified bus fleet by 2040 or sooner.** With this, we also call on the administration and the legislature to increase funding toward NJTransit so there is the capital available for this major transformation.

Moreover, land use informs energy use and mobility. According to the [Bureau of Transportation Data and Support, Roadway Systems Section](#), vehicle miles traveled (VMT) has increased every year since 2010. This presents a major problem if we are trying to reduce emissions. To make matters worse, there is little to no coordination between the State and municipalities on this front to reduce VMT. We need to change the current paradigm of personal travel in the state; therefore, it is imperative that the State and local governments to integrate energy and transportation planning with land use and housing planning.

For example, Goal 1.2.1 lists several potential actions to reduce VMT. However, the lack of coordination on planning that creates the streets that can support this type of travel will be a significant hurdle to implementation. As a first step, energy and transportation/mobility planning should be required by local governments. With the required energy and transportation planning, municipal land use law would likely evolve to encourage the provision of complete streets, walkable and bikeable communities, bike and scooter sharing, Jitney services and community EVs as the draft EMP suggests.

While noting the importance of improving the quality of service of rail and of improving bus coverage - reliability is critical - but in order to replace motor vehicle trips with public transit,



transit agencies must provide more service on existing lines – for example, providing more frequent bus service through dense, developed corridors. This would have a greater impact on increasing transit trips than investing in coverage out into suburban areas with low density. In addition, we also believe that the EMP committee with relevant state agencies monitor, evaluate, and if needed, redesign bus lines, of which haven't been updated in decades to match shifts in population, demographics, jobs and other aspects of life to ensure they are following the most effective and efficient routes possible.

We also raise concern regarding Goal 1.2.2 (accelerate the implementation of the Transit Village Program). This by itself will not affect statewide land use patterns nor deliver the needed VMT reduction needed to achieve our GWRA goals. The program has been successful in promoting development around train stations, but its geographic extent and pace of implementation is insufficient to be solely relied upon to achieve our GWRA goals. It also receives funding levels that will not change this in any meaningful way as the draft Transportation Improvement Plan (2020-2023) does not increase program funding levels (\$1,000,000 annually) for the duration of the plan. To be clear, New Jersey LCV supports A2926, the "New Jersey Transit Villages Act." We urge the EMP committee to work with the administration and legislature to mandate the \$10 million appropriation and amend the bill so that all future development be sited, planned, and developed with considerations made to updated flood zone mapping, future rain fall projection forecasting to identify green and gray stormwater system needs, vulnerability and hazards assessments that identify risks associated with multisectoral systems analyses and prioritize precautionary adaptation-based planning.

However, rather than rely solely on the Transit Village Program to deliver meaningful GHG reductions, the State should consider strategies that compliment this program and recommends land use changes promoting the use of transit, biking and walking. Other strategies could include the implementation of Complete Streets policies and ordinances – related to Goals 1.2.1, congestion pricing, and revisions to land use restrictions. Therefore, the State must consider all the ways to integrate energy and transportation planning with land use and housing planning. This needs to be done in a way that does not place unreasonable burdens on local governments.

New Jersey needs to initiate pilot projects today that focus on the following areas:

1. Urban electrification – Separate and apart from electrifying our Transit system, New Jersey needs to encourage pilot projects to test electric ride share/car share models with the accompanying fueling infrastructure and targeted incentives to make charging and utilizing those fleets an economically viable proposition.
2. Port electrification – The electrification of buses, trucks and drayage around our ports in recognition that the air in port communities is disproportionately toxic as compared to the rest of the state.
3. Vehicle to grid – New Jersey should encourage pilot projects that test out V2G



technology as this offers additional benefits that may help offset public investments; specifically, with school buses that are not in use for nearly half of the year.

4. Electric autonomous vehicles – With autonomous vehicles under development and being tested in several early markets, New Jersey needs to establish its own pilot programs to test this technology and signal New Jersey as a hub for this emerging technology.

III. Catalyzing an Energy Efficient, Electrified, and Decarbonized Residential Sector

Northeast Energy Efficiency Partnerships (NEEP) is a non-profit accelerating energy efficiency in the Northeast and Mid-Atlantic state. It is one of the six Regional Energy Efficiency Organizations (REEOs) funded, in part, by US Department of Energy to support state efficiency policies and programs. NEEPs has been driving work to assist the transition to decarbonized buildings, both residential and commercial. We recommend the BPU to appoint a representative to be a state partner with NEEP as we work to meet the goals of the Clean Renewable Energy Bill and the Global Warming Response Act.

As we move to decarbonize and electrify our residential sector, a market for this work should be catalyzed to drive down costs. Specifically using Pennsylvania as an example, in their affordable housing RFPs, passive house is a prime criterion they've used to ensure their new developments are efficient and has led to 75% of all new affordable housing being "passive house" certified. We need to make the energy efficiency market more imperative. The Clean Renewable Energy Bill has these energy efficient ratings for facilities over 25,000 square feet, but have a 5-year ramp up until this effort takes place. This rating system should be extended to commercial properties and residential homes to increase both market interest and catalyze energy efficient improvements which can thus improve home values and reduce energy use, similar to Connecticut, DC, and Pennsylvania. In addition, while the Clean Energy Program offers incentives to expand the use of heat pumps, we suggest the EMP committee with relevant state agencies evaluate these incentives to see if they are what is needed to drive the market.

IV. Community Solar Registry Portal

Similar to how the New Jersey Offshore Wind Supply Chain Registry functions, we recommend the EMP committee and relevant agencies create a similar portal that puts community solar businesses in touch with local non-profit, community-based organizations. This will help establish a direct connection between company and community, especially in low-moderate income, communities of color, and environmental justice communities where registration may be a challenge. Communities should be involved in decisions that regard access to clean energy and the economic development opportunities that are afforded. In addition, this portal could also provide services for workforce development programs with labor unions so that everyone can benefit from our transition to a clean energy future.



V. Accessibility

The Energy Master Plan is a crucial document that lays out the vision and guides decision-making in the state for the next decade. We need to ensure this document is accessible to all New Jersey residents, which means publishing it in more than just English, but Spanish and other predominant languages spoken in our state.

VI. Ensuring Low-Moderate Income Communities Have Access to Clean Energy Program Offerings

New Jersey LCV, with over 25 of our partners, has submitted a detailed letter that discusses the need for the EMP to address additional barriers that low-and moderate income, and environment justice communities face as they try to embrace offerings provided through the Clean Energy Program so we all benefit from our shift to the clean energy economy. **This letter is attached to these comments in Appendix A.**

In conclusion, New Jersey LCV applauds the administration for their work on this plan and looks forward to continuing to work together to move our state forward and achieving our 100% clean energy economy and being a national leader in a just transition with bold action to address climate change. If you have any questions, please contact Ed Potosnak, Executive Director at ed.potosnak@njlcv.org or at 609-331-9922.

Sincerely,

Ed Potosnak



APPENDIX A

August 20, 2019

TO: Energy Master Plan Committee
Chair, Grace Strom Power
44 S Clinton Avenue
Trenton, NJ 08625

RE: Joint 2019 Draft Energy Master Plan Comments

We, the undersigned, who represent a wide variety of environmental justice, labor, faith, environmental and civic organizations, thank the administration for their work on the draft Energy Master Plan and the Governor's strong commitment to achieving a 100% clean energy future. While this Energy Master Plan is a significant shift from the Christie Administration and a step forward, we want to take this opportunity to address one major concern: the lack of addressing barriers that prevent low-moderate income (LMI) and environmental justice (EJ) communities from partaking in the clean energy transition.

The energy burden facing low-income households poses a significant equity concern: low income households, many of which are in older buildings with poor ventilation and aging, inefficient appliances and heating systems, spend an average of 7.2 percent of their income on utility bills, which amounts to about \$1,700 annually out of \$25,000 median household income. That is more than triple the 2.3 percent spent by higher-income households for electricity, heating and cooling. With some low-income households spending nearly 20 percent of their income on utility bills, this market cannot be neglected.¹

Yet, low-income customers face numerous barriers to participation in efficiency programs, and pay the same Societal Benefits Charge as any customer but they spend a much higher percentage of their income on energy. This is extremely regressive and funds a program from which they rarely benefit. This makes well-designed, specifically targeted efficiency programs for low-income customers a crucial topic to consider during this process and highlights the need to end diversions from the Clean Energy Program.

We recommend that the BPU review these programs and discuss with utilities and LMI customers about which mechanisms might be most appropriate for LMI customers in their service territories—noting that the needs of LMI customers in each territory may vary based on a range of factors, including the physical nature of their housing situations. In addition, we recommend that the BPU with other relevant agencies convene a stakeholder group, including

¹ "Lifting the High Energy Burden in America's Largest Cities," Energy Efficiency for All and the American Council for an Energy Efficient Economy, 2016 <http://energyefficiencyforall.org/resources/lifting-high-energy-burden-americas-largest-cities>.



LMI customers, to ensure that programs are well-designed to meet the needs of low-moderate income customers. This ensures that the programs outlined are monitored and evaluated with the input of relevant stakeholders. There exists ample opportunity to improve the lives of those most burdened, by “bringing low-income housing to the efficiency level of the average U.S. home would eliminate 35 percent of their energy burden... the potential is even higher for African-American (42%), Latino (68%), and renting households (97%).”² Therefore, when LMI households cannot pay their energy bills, it increases rates for everyone; so carefully crafted energy efficiency programs can serve as an effective vehicle to put money back in the pocket of those who need it most, while lower costs for all ratepayers. It presents a win-win opportunity.³ The draft EMP mentions a “clearinghouse for all low income-targeted home energy programs” – we recommend supporting this project to lower cost and maximize potential.

To this point, the EMP needs to discuss, in detail, the barriers that exist and outline strategies that strengthen the community energy planning programs and make the community energy planning grant program more accessible to LMI communities. The evaluation of the grants includes significant points for past successes in clean energy efforts, but these have been historically few in LMI communities. The EMP should also discuss bottom-up programs that can be state supported that facilitate the advancement of electric vehicle ride-shares, community solar infrastructure needs, and other clean energy programs that reduce localized air pollutants and expand clean energy access in urban, EJ and LMI communities.

In addition, while the EMP talks about workforce development programs, it does not outline, in detail how we integrate this with other EE programs/weatherization to ensure all communities can take advantage of the good local jobs being catalyzed from our clean energy transition. We encourage the Department of Labor and Workforce Development to work to address this major gap and opportunity and we ask that residents living in EJ communities are provided a clear, demonstrable path to job training and employment.

Furthermore, the EMP does not identify costs as another barrier to energy efficiency and weatherization programs, such as ancillary issues like secondary costs that prevent households from these improvements. It may be that you don’t qualify for weatherization programs because a home is too inefficient or there are high levels of localized indoor air pollution - or because the costs are too high to fix roofs or making repairs to walls or other indoor infrastructures. We need to make it easier for EJ and LMI households to comply. The EMP needs to identify existing barriers to incentivize private entities to get involved in this sector. Funding more than likely already exists to address structural deficiencies that have halted the weatherization effort. We must ensure that the appropriate organizations are linked with the client to effectively address the concerns prior to retrofit – a clearinghouse will address these concerns. The clearinghouse will also allow structural inequities to be addressed at their point

² Ibid.

³ Ibid.



of contact. One example of this is reevaluating credit worthiness for these customers outside of conventional methods. We recommend the Economic Development Authority and other relevant agencies work to address these concerns and opportunities.

Lastly, renters are completely left out of the EMP. We encourage the Economic Development Authority, with other relevant agencies, to identify ways that renters can take advantage of energy efficiency and weatherization programs.

If you have any questions, please feel free to contact Laureen Boles at director@njeja.org or at 267-207-1558, Ed Potosnak at ed.potosnak@njlcv.org or at 609-331-9922, or Nancy Griffeth at ndgriffeth@mac.com. Thank you for your time.

Sincerely,

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Laureen Boles, Executive Director, New Jersey Environmental Justice Alliance
Rob Gregson, Executive Director, Unitarian Universalist FaithAction NJ
Ben Haygood, Environmental Health Policy Director, Isles
Eric Miller, NJ Energy Policy Director, NRDC
Tom Gilbert, Campaign Director – Energy, Climate & Natural Resources, New Jersey Conservation Foundation
Mary Barber, Director - Regulatory and Legislative Affairs, Environmental Defense Fund
Richard Lawton, Executive Director, New Jersey Sustainable Business Council
Brandon McCoy, Executive Director, New Jersey Policy Perspective
Doug O'Malley, Director, Environment New Jersey
David Weiner, President, CWA Local 1081
Sean M. Spiller, Vice President, New Jersey Education Association (NJEA)
Donna Chiera, President, American Federation of Teachers New Jersey (AFTNJ)
Patty Cronheim, Outreach Coordinator, ReThink Energy NJ
Ray Ocasio, Executive Director, La Casa de Don Pedro
Walt McRee and Joan Bartl, Directors, Banking on New Jersey
Pari Kasotia, Mid-Atlantic Director, Vote Solar
Staci Berger, President & CEO, Housing & Community Development Network of NJ
William Amann, Vice Chair, U.S. Green Building Council - NJ
Curtis Fisher, Northeast Regional Executive Director, National Wildlife Federation
Peggy Kelly, VP/Director of Field Services, United Food & Commercial Workers 152
Central Jersey Coalition Against Endless War
Renee Koubiadis, Executive Director, Anti-Poverty Network
Lou Kimmel, Executive Director, New Labor
David Hughes, Treasurer, AAUP-AFT
Amy Goldsmith, Executive Director, Clean Water Action NJ