Discussion Points General

2. What are pathways forward to ensure New Jersey has secure, modern, and resilient infrastructure by 2030? By 2050?

Recommend changing policies are effectively blocking private investment that would otherwise be occurring in secure, modern, and resilient infrastructure in New Jersey. These include incentive programs that are technology selective and exclude the most advanced and reliable forms of distributed generation, interconnection policies that prevent the deployment of multiple technologies behind a single customer meter, and policies that allow less efficient, less reliable, and higher polluting technologies to export energy while preventing more efficient, more reliable, and lower polluting technologies from exporting energy.

6. What steps are needed for to preserve the integrity of our energy systems in the face of future acts of nature (storms, hurricanes, wind, etc.)?

Increased deployment of distributed generation that is capable of isolating critical facilities – both public and private – from the effects of the rapidly increasing number of weather related outages. These should include not only traditional critical facilities such as shelters and government buildings, but also private facilities that serve an important public service like telecommunications hubs, supermarkets, large retail stores, and data centers.
Use of targeted DERs, including both energy efficiency and reliable distributed generation, as an aspect of utility distribution operations. In New York Con Edison's Brooklyn Queens Demand Management Initiative has proven that the targeted use of DERs in utility load pockets can avoid/defer transmission and distribution investments and increase both customer reliability and the resiliency of the distribution system – while saving ratepayers nearly $1 Billion. This same approach could be used in New Jersey.

State Policy

9. Are the regulatory constructs currently in place to assure reliability, security, and resiliency of infrastructure adequate to meet the EMP's goals? If not, what steps can the state take to address the inadequacies?

No. There are a series of simple fixes that could help assure the reliability, security, and resiliency of infrastructure adequate to meet the EMP's goals. These include; (1) making incentive programs dependent upon *proven* performance rather than *claimed* performance, including specific requirements for high uptime and grid islanding capability, (2) voluntary agreements by the NJ EDCs or, failing that, a Board Order that would allow multiple technologies – including solar + fuel cells + storage to interconnect behind a single customer meter, (3) amendment of Board regulations such that export at the LBMP rate (not *retail* net metering) is available to technologies that exceed federal QF standards.

12. What level of coordination is required between state and national standards (i.e. RGGI, California Car, etc.) to meet the EMP's goal? What steps could be taken to coordinate standards?

Increased awareness of interplay between federal Qualifying Facility standards and New Jersey Net Metering Regulations. Federal QF standards allow 42.5% LHV efficient combustion distributed

generation with higher emissions of local air pollutants (NOx, SO2, PM) to export power to the NJ EDCs at the LBMP rate. At the same time 60% LHV efficient non combustion distributed generation with no emissions of those local air pollutants are not permitted to export power to the NJ EDCs at the LBMP rate, *or even for free*. This creates a "no man's land" for high efficiency non-combustion distributed generation in New Jersey. Other jurisdictions have solved this issue by permitting non-combustion distributed generation to export to local utilities at the avoided cost rate rather than at the retail rate. This approach avoids the cost shift to other ratepayers that is associated with retail net metering.

Workforce Development

17. Is New Jersey at a competitive advantage or disadvantage to recruit these workers?

New Jersey is at a competitive disadvantage because its technology-selective approach to incentive, interconnection, and export policies is having the effect of limiting the market for component parts that are currently manufactured in New Jersey for export worldwide. New Jersey should be encouraging, not limiting, the manufacturing of clean energy technologies in the state. On this topic a June 2018 BPU Order specifically indicated that job creation and retention is not a primary or secondary objective of the Clean Energy Program. The Master Plan should specifically change this and, consistent with adjoining states, make economic development and the development of the clean energy economy a stated objective of the CEP.

Environmental Justice

20. How can infrastructure be responsibly and effectively sited while taking into consideration of environmental justice concerns?

The NJ BPU programs do not currently take into account emissions of local air pollutants like NOx and PM. This has the effect of favoring combustion DER technologies that emit these pollutants over non-combustion DER technologies that do not emit these pollutants. This is especially important at a time when the desire to value locational benefits and avoided transmission and distribution expenses will have the effect of driving DERs into highly populated urban neighborhoods. Recent studies on this topic indicate that the health and environmental impacts of NOx and PM are directly attributable to combustion DERS, are readily quantifiable, and that the economic and health benefits associated with reducing NOx and PM exceeds the economic and health benefits of reducing CO2 emissions. The desire to reduce CO2 is appropriately the first and most important emissions reduction objective but it does not follow that local air pollution does not matter at all. The NJ BPU should work with the NJ DEP to reform its programs so that avoided emissions of local air pollution like NOX and PM are valued in the BPUs programs.