



NEW JERSEY CHAPTER

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Board of Public Utilities
ZEC Program
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The SC has serious concerns with BPU Docket No. EO18080899. We it will be a burden on the people and environment of New Jersey, especially if its handled improperly. Ratepayers will be paying \$300 million a year so it is critical that the BPU makes the application process transparent and conducts an independent audit. The BPU should not be giving out a penny of the subsidy until an outside auditor reviews the financial requirements. The Ratepayer Council should also have access to everything throughout the process. We oppose giving these nuclear facilities any more money but if given, it must be justified and limited. The applicants must prove through a transparent process that they need the credits and the BPU must determine how much they will need, not the entire allotment. Applicants should be in state facilities only. New Jersey ratepayers should not have to subsidize in and out of state nuclear plants to compensate for nuclear requirement. This is just regressive tax on poor people and seniors.

Prove thru a trans process that they need money and determine how much they need. Not entire allotment- justify allotment.

What specific metrics should the Board utilize to determine if a nuclear power Unit ("Unit") should be deemed eligible for ZEC credits?

Nuclear Power Facilities eligible for ZEC credits should not be from out of state. The nuclear subsidy law requires ratepayers to buy 40% of their electricity from nuclear but with Oyster Creek closing, nuclear generation in New Jersey will drop to 31%. This means that New Jersey ratepayers will buy 8% of their nuclear power from out of state. This gives out of state nuclear plants like PSEG's and Exelon's Peach Bottom Plant and Exelon's Three Mile Island and Limerick plant an opportunity to qualify for zero emission credits. Our concern is that any one of these companies that own plants within the PJM region will be able to qualify for ZEC credits if they need them or not.

PSE&G are looking to build a power line from Maryland to Delaware and use New Jersey subsidies to do it. This is why we need BPU to make the application process more transparent. The BPU must bring in an outside auditor and financial analyst to see if these nuclear facilities even need the money. The agency must also require all applicants to open their books to the public. We should not be giving out any money from the subsidy until an independent analysis is done.

Referencing N.J.S.A. 48:3-87.5(e)(2), what information should be provided to the Board to demonstrate that the Unit makes a significant and material contribution to the air quality in the state? What information should be provided to demonstrate that the Unit minimizes harmful emissions that adversely affect the citizens of the state? What information should a Unit provide to demonstrate that, if the Unit were to be retired, the retirement would significantly and negatively impact New Jersey's ability to comply with State air emissions reduction requirements?



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When New Jersey moves forward with renewable energy or builds more natural gas plants, we will have to buy more nuclear power to compensate that 40% requirement. Governor Murphy committed to 100% renewable and this nuclear subsidy bill will block that from happening. If we add more renewable, we will have to buy more nuclear. As long as nuclear power is available, we will keep subsidizing the nuclear plants past their lifetime. It gives nuclear energy an unfair advantage over other sources of energy, especially renewable sources such as solar and wind.

There has to be a closure plan for the nuclear plants. We are concerned that nuclear plants will try to operate beyond their current license and as they become older, they become more at risk for accidents or breakdowns. If these plants finally close they don't have to be replaced to renewable energy, they could be replaced by fossil fuel or coal. There has to be a closure plan for the nuclear plants. They should not be allowed to stay open past their lifetime. These nuclear plants should be replaced by renewable energy instead.

What information about other benefits, subsidies, or tax implications should be provided to the Board as part of a ZEC application?

The nuclear subsidy law does not include a sunset provision, so New Jersey ratepayers could be paying for this subsidy indefinitely. New Jersey will never be able to diversify our energy portfolio if we have to subsidize nuclear energy forever, or even worse, subsidize out of state nuclear forever. The nuclear subsidy will cost New Jersey ratepayers \$3 billion over 10 years but since it is open ended, nuclear plants could get that subsidy for the next 30 years.

Closing Comments

It's vitally important that the ZEC Nuclear program does not undermine New Jersey's efforts to reach 100% renewable energy by 2030. Nuclear power should not be considered a long-term solution, not should it be considered an ultimate goal for green energy. We need to make sure we are allowing for growth of renewable sources such as solar and wind and that this law and any rules or regulations that come from it do not inhibit that growth.