

**THE HONORABLE JUDD GREGG
NUCLEAR MATTERS ADVOCACY COUNCIL MEMBER AND FORMER U.S. SENATOR AND
GOVERNOR**

TESTIMONY FOR THE RECORD

**HEARING OF THE STATE OF NEW JERSEY BOARD OF PUBLIC UTILITIES
OCTOBER 4, 2018**

Good afternoon. My name is Judd Gregg. I am the former Governor and Senator from New Hampshire and I currently am a member of the Advocacy Council of Nuclear Matters. Nuclear Matters is a national coalition of more than 17,000 members across the country that works to inform and educate the public and stakeholders about the clear benefits of nuclear energy. Together we support solutions that properly value nuclear energy as a reliable, affordable, safe and carbon-free electricity resource that is essential to America's energy future.

I would like to thank the New Jersey Board of Public Utilities (BPU) for holding this hearing and for their consideration of testimony that will inform the establishment of a zero-emission credit program for important and carbon-free nuclear energy in the state of New Jersey.

Earlier this year, the New Jersey State Legislature and the Governor took bold action to enact legislation that would insure that New Jersey continues to benefit from carbon-free technology. During those hearings, I spoke about the economic impacts of plant closures to my home state of New Hampshire and to New England, through the closure of Vermont Yankee. I want to once again thank the leaders of this state for recognizing the important role of nuclear power.

Nuclear power is a primary source of carbon-free energy, as the State looks to reduce its reliance on fossil fuels and transitions to clean power. This is critical to a state like New Jersey where nuclear power provides over 38 percent of the state's total energy and more than 90 percent of its carbon-free energy. Moreover, nuclear power is the state's most reliable form of generating electricity, as it operates 24/7, regardless of the weather, and produce maximum power for an overwhelming majority of the year.

Furthermore, we know that when nuclear plants close, they are replaced by natural gas-fired power plants. I have seen this first-hand in New England. In New Jersey, where nuclear and natural gas are the predominant sources of power, we know that the elimination of nuclear would make the state almost completely dependent on natural gas. If New Jersey were to lose its nuclear facilities, its clean energy shortfall would be equal to the power used by 2.2 million homes, which is more than 56 percent of homes in the state. As this body seeks to develop

guidelines for this program it is important to think about the important role that nuclear power plays in maintaining a diverse portfolio.

Zero emissions credit programs have already helped achieve emissions reduction standards in states like New York and Illinois. In New York, the Clean Energy Standard has allowed nuclear plants there to help the state meet ambitious environmental goals. Furthermore, The Brattle Group, a well-respected economic analysis firm, examined the economic impacts of zero-emissions credit programs in New York (and Illinois) and found that by retaining nuclear generation, more electricity was being provided by low-cost sources than would have been the case if the reactors closed. The reason is that the replacements for the nuclear plants would have been more costly fossil generators. Similarly, Illinois was one of the first states to fully codify the benefits of zero-carbon energy by enacting a comprehensive clean energy program that allows flexibility for the state when making energy choices.

For New Jersey, establishing a zero-emissions credit application process and relevant criteria will further help the state in meeting the Governor and State Legislature's directive. However, looking to successful programs in other states may help guide the BPU to answers on questions regarding nuclear plant criteria and cost to consumer. I advocate for a broad and inclusive program, much like the one implemented by the Illinois Power Agency, which considers public interest criteria for the selection of bids, which includes minimizing carbon dioxide, sulfur, nitrogen oxide, and other particulate matter emissions. If public interest criteria regarding pollutants are met, along with other required conditions, then the facility can be designated as eligible for a zero-emission credit. This could be a model that New Jersey wishes to consider, to help reap the broadest possible benefits from nuclear power. Additionally, other states have also requested all best publicly available information including studies and reports is included in zero-emission certificate applications to help guide the application and bidding processes.

New Jersey has set out on a path that will maintain a diverse power supply and will allow New Jersey residents to continue to enjoy more reliable, affordable, clean energy for decades to come. As the BPU considers the specific details, I encourage the BPU to take the widest possible view of the economic and environmental benefits of nuclear power when developing its guidelines. I am hopeful that members will continue to look at the important role nuclear will play in the years ahead in helping the requirements outlined in the State's current Energy Master Plan and as the state considers updates.

Thank you.