

October 2, 2020

VIA ELECTRONIC MAIL

Attention: Aida Camacho
Office of the Secretary of the Board
Board of Public Utilities 44 South Clinton Avenue,
3rd Floor, Suite 314
P.O. Box 350
Trenton, New Jersey 08625-0350

Re: Investigation of Resource Adequacy Alternatives
Docket NO. EO20030203

Dear Ms. Camacho:

On behalf of the New Jersey Energy Coalition, I submit these comments related to the Docket Number EO20030203, Investigation of Resource Adequacy Alternatives request for comments and technical conference. The New Jersey Energy Coalition is a member-based organization which represents the various stakeholders in the energy industry.

Let me begin by thanking the New Jersey Board of Public Utilities for holding a timely and informative technical conference on September 18, 2020 to discuss resource adequacy alternatives. Although New Jersey, like many states, has been dealing with this issue for several years, it is clear that the time has come for New Jersey to evaluate its resource adequacy needs in a manner consistent with clean energy and environmental objectives while considering the costs to rate payers. As we all know, the Federal Energy Regulatory Commission (“FERC”)’s December 19, 2019 Minimum Offer Price Rule (“MOPR”)ⁱ Order intensified the need for New Jersey to evaluate its resource adequacy alternatives in short order.

When New Jersey deregulated its electric on August 1, 1999 under EDECAⁱⁱ, it went down a path to help the rate payers, to chart a new future and to unleash the technical “know-how” in the energy sector. We have seen the market change over the years and, as we know from our U.S. Constitution, not only must the rights of the states be respected, but the needs of the citizens must be met with the same respect. As a matter of public interest, states have the legal right to shape their own energy future, particularly when it comes to reliability, the mix of available resources and fairness to customers.

Over the course of the last two decades, the world has witnessed an increase in renewable forms of energy. We are fortunate to have many of these forms of renewable energy available to us in New Jersey. Although renewable energy will help New Jersey

achieve our long-term clean energy objectives, New Jersey also needs to evaluate our baseload entity to ensure reliability of the grid as well as our peaking units to ensure balance on the grid. In order to respond to the needs of the future, New Jersey must have adequate energy to meet increasing demands.

With the objective of assisting New Jersey achieve its long-term clean energy goals, the New Jersey Energy Coalition believes the following aspects should be considered:

1. **Energy Destiny.** New Jersey must be able to chart its own path for the future with or without PJM. The time has come to ensure fair pricing for the different resources in the energy market. While the New Jersey Energy Coalition believes that PJM has the capacity to ensure fair pricing, the Coalition also believes that if it becomes necessary, New Jersey must be willing, ready and able to step in and take the proper course of actions to ensure the people of New Jersey are able to acquire the energy they want at a just and reasonable price while also remaining reliable and resilient.
2. **Reliability.** New Jersey customers need and deserve a reliable electric grid. The Board must evaluate, therefore, whether participation in PJM is the key to safe, reliable service or whether New Jersey has the capacity to create its own electric grid that will provide rate payers with different resources at reasonable prices.
3. **Resilience.** In order to make sure that all electric customers have access to and receive reliable service, New Jersey must evaluate its options for providing customers with resilient service by not only assessing and delivering upon energy needs in real-time, but also by ensuring that the grid is secure and is able to withstand disturbances.
4. **Clean Energy Agenda.** In addition to evaluating reliability and resilience, the Board needs to evaluate the impact of FERC's December 19th Order's expanded MOPR, which could potentially disrupt a number of New Jersey's efforts to shape its electric generation base. As part of this evaluation, New Jersey needs to determine whether remaining a part of PJM will limit or impede New Jersey's transition to a clean energy future with the stated goal of New Jersey relying entirely upon clean energy by 2050.
5. **Electric Vehicles.** As New Jersey moves toward a clean energy future, the State must ensure that is prepared for an increased number of electric vehicles. Electric vehicles will require more readily available electric on demand. The State's needs with respect to gasoline are likely to remain the same because the human element of refueling vehicles will not change much.

Thank you for the opportunity to submit comments on behalf of the New Jersey Energy Coalition. Although New Jersey has some tough decisions ahead when it comes to resource advocacy alternatives, the New Jersey Energy Coalition is confident that if we



all work together, New Jersey will be in a position to achieve its long-term energy goals and objectives while ensuring fairness to our rate payers.

Respectfully Submitted,

Erick A. M. Ford
Executive Director

ⁱ <https://www.ferc.gov/news-events/news/ferc-directs-pjm-expand-minimum-offer-price-rule-0> (last accessed on September 30, 2020).

ⁱⁱ https://www.njcleanenergy.com/files/file/23_.pdf (last accessed on October 1, 2020).