



May 14, 2021

New Jersey League of Conservation Voters
PO BOX 1237
Trenton, NJ 08607

BPU President Fiordaliso
44 S Clinton Ave,
Trenton, NJ 08625

Re: New Jersey League of Conservation Voters Testimony on BPU Solar Successor Program

New Jersey LCV is the statewide political voice for the environment in New Jersey. We represent democratic, republican, and independent voters who elect environmentally responsible candidates to state and local offices, advocate for strong environmental policies and hold our elected officials accountable to safeguard the health of our communities, the beauty of our state, and the strength of our economy. Thank you to staff and Commissioners of the Board of Public Utilities (Board) for your hard work on developing the Successor program and for holding these workshops and listening to our concerns.

In 2018, New Jersey LCV helped lead the charge in support of the Clean Energy Act (CEA). A nation-leading clean energy bill at the time, set New Jersey on a path to 100% renewable energy by 2050. We strongly supported the Clean Energy Act because it included three things essential to the environment and, in particular, to our biggest concern, which is averting the looming climate crisis:

- It expanded the share of renewable electricity sold to retail customers in New Jersey to 35% by 2025 and 50% by 2030;
- It ended the costly SREC program and required it to be replaced by a successor program that incorporates competition or competitive incentives to reduce costs dramatically, and;
- It imposed cost discipline on both the Board and the solar industry to ensure continued affordability of clean electricity.

We strongly support the budget-based, competitive framework developed by Board staff for the solar successor program as the best way to make the right choice. Using this framework, the Board can determine the best combination of growth in New Jersey solar and new regional resources that fit within a reasonable budget. This budget-based approach is required to keep costs affordable, both in meeting the current 50% goal and in taking all the additional, rapid steps needed to avoid climate catastrophe. Moreover, affordable clean electricity is essential for equity across all of New Jersey's citizens and communities, especially low-income communities that pay a disproportionate amount of their income on utility bills. We don't need to choose between affordability or large-scale renewable investment and development. It is not binary, we



can secure low and competitive, affordable costs, and meet our renewable portfolio standard (RPS) and climate action obligations.

In addition, ensuring that clean electricity remains affordable is critical to addressing the climate crisis and ushering a swift transition to achieve our 100% clean energy economy. If clean electricity becomes too expensive, consumer and political opposition will erode New Jersey's ability to take the steps necessary to avert the pending climate crisis. Affordable clean electricity is essential to our ability to rapidly mitigate the nearly 30 million metric tons of CO₂ that are emitted each year by the fossil fuel generators that serve New Jersey's electric load -- many of which are located in Pennsylvania and other parts of PJM. Recent climate science tells us the global electricity sector must reduce CO₂ emissions by about 70%, from current levels, by 2030, to avert the worst risks of the climate crisis. If this must be done globally, even more must be done in New Jersey and the broader PJM region. This means affordability in New Jersey matters than ever.

The CEA imposed cost caps on all Class I renewable resource expenditures, other than ORECs, to meet the RPS, and gave the Board broad authority to ensure the cost of RPS procurement to customers stayed within those caps. While the Clean Energy Act does permit the Board to change any of the various RPS requirements to stay within the cost cap, **we urge the Board to NOT reduce the statutory percentages of renewable energy required, under any circumstances.** These requirements are the foundation of the entire CEA and of New Jersey's effort to address the climate crisis and secure a leadership stake in transitioning to a 21st-century economy.

We will not end up with an affordable mix if budgets are simply ignored, when deciding on solar targets. The proposed budget does not take into account the longer-term impact on the cost cap by 2025, which will be exceeding if approved as is. Achieving the RPS goals in 2025 are at risk because of this and can result in a 12% reduction in the RPS goal, significantly hampering solar deployment.

Thank you for your attention to these issues that are critical to addressing the climate crisis, equity, building a stronger and fairer 21st-century economy. If you have any questions, please feel free to contact Ed Potosnak, Executive Director, New Jersey League of Conservation Voters at ed.potosnak@njlcv.org or at 609-331-9922.

Thank you for your time and consideration,

Ed Potosnak