



June 4, 2021

Via Electronic Mail (Board.Secretary@bpu.nj.gov)

Aida Camacho, Secretary
New Jersey Board of Public Utilities
Post Office Box 350
Trenton, New Jersey 08625

Re: FY22 CRA, Budget and Programs Plans

Dear Secretary Camacho,

On behalf of Sierra Club and its approximately 80,000 members and supporters in New Jersey, we submit the following comments on the NJ Board of Public Utilities' Fiscal Year 2022 (FY22) Straw Proposal for New Jersey's Clean Energy Program (CEP) Comprehensive Resource Analysis (CRA) and the proposed FY22 program budgets and compliance filings.

Energy Efficiency

Last year, the NJBPU allocated about \$1 million to figure out how to align revenue streams to support whole home retrofits, including health and safety as well as energy efficiency. However, this Straw Proposal doesn't include any recommendations for implementing the results of that process. The Sierra Club would like to ask BPU Staff what happened with that process? Why is nothing being proposed for FY22 to move forward with whole home retrofits? The Sierra Club supports whole home retrofits targeted at households with high energy burdens. Whole home retrofits should include electrification. The cost of supplying gas to a new home increases the cost of the house by over \$6400 on average¹ compared to electric-only housing, and most electrical appliances are cheaper than their gas counterparts.²

We are glad that Rutgers University will be completing a cost-effective analysis for amendments to the NJ energy Code as well as co-facilitating the NJ Zero Energy Building Code

¹ www.synapse-energy.com/sites/default/files/Decarbonization-Heating-CA-Buildings-17-092-1.pdf

² Navigant Consulting for the California Building Industry Association, August 2018, Impacts of Residential Appliance Electrification, available at: <https://efiling.energy.ca.gov/GetDocument.aspx?tn=224761>

Collaborative. Developing net-zero building codes is a critical piece of the New Jersey Energy Master Plan (EMP). It is important that this happens as quickly as possible.

It is also important that the Office of Energy Equity (OCEE) will be leading the Equity Working Group and Workforce Development Groups as well as other equitable energy efficiency initiatives. We would like more information on these programs going forward, including how the working groups will be implemented and how these programs will expand diversity in workforce development.

Distributed Energy Resources

The proposed FY22 funding levels for Distributed Energy Resources consists of \$20,635,545 for CHP-FC programs and \$4,000,00 for Microgrids. The supporting narrative only discusses BPU's Town Center Distributed Energy Resources (TCDER) Microgrid Incentive Program and solar + storage program; no mention is made of CHP-FC activity which would perpetuate our reliance on fossil fuels. A recent International Energy Agency (IEA) report stated that "there is no need for investment in new fossil fuel supply in our net zero pathway."³ Consistent with this recommendation and the NJ EMP goal for 100% Clean Energy by 2050, we recommend that CHP-FC Program be terminated and its budgeted funds be reallocated to more worthy programs particularly Community Solar.

Electric Vehicles

The CEP FY22 budget allocates \$41,933,739 for the Electric Vehicle Program, yet nothing is specifically targeted for electric school buses. With New Jersey's stated goal in its 2019 Energy Master Plan of reducing CO2 emissions by 80% by 2050, electrification of the more than 16,000 diesel school buses in the state must be a critical part of that.

Collecting and analyzing data is critical, which even the Straw Proposal in Phase 3 of the EV Charger Program acknowledges. "Staff recommends that incentives for Phase Three be made available only for smart chargers – those with the ability to provide data. This will allow for the collection of data to better understand charging behavior from the perspective of the EV owner, BPU, and the utility."

We would like the CEP budget to allocate funding for conversion from diesel-driven school buses to electric. At present, the budget does provide funds for state and local government municipal fleets, but this language does not go far enough to cover electric school buses, of which there is no mention.

With both President Biden and Governor Murphy placing a priority on electric school buses through their clean energy recommendations, it is important that New Jersey not get left behind for funds and commitment to keeping our school children safe from harmful pollutants when they ride these buses each and every weekday. With transportation accounting for 40% of CO2 emissions in New Jersey, any strategy for clean air and energy must include electric school buses.

³ IEA (2021), Net Zero by 2050, IEA, Paris <https://www.iea.org/reports/net-zero-by-2050>

Thank you for your review of the attached comments. If you have any questions, please don't hesitate to contact us.

Sincerely,

A handwritten signature in black ink, reading "Taylor McFarland". The signature is written in a cursive style with a large, looping initial "T".

Taylor McFarland, Acting Director
Sierra Club New Jersey Chapter