



TO: NJ Board of Public Utilities (BPU)

FR: Amy Goldsmith, NJ State Director, Clean Water Action

RE: Medium and Heavy Duty Vehicle Charging Ecosystem Straw Proposal - Docket # QO21060946

Date: October 5, 2021

**Urgency to Act and Be Flexible to Get Desired Results:**

Clean Water Action's comments and recommendations below regarding the NJ Board of Public Utilities' (BPU) medium and heavy duty vehicle (MHDV) straw proposal (Docket # QO21060945) are written with the primary purpose of moving the Garden State towards zero emissions in goods movement and other MHDV uses (e.g. transit buses, school buses and municipal fleets). While MDHVs account for a relatively small percentage (4%) of the number of vehicles on the road, they account for 35% of greenhouse gases. They also emit the most NOx, SOx, Particulate Matter and Black Carbon (soot) in the transportation sector and are responsible for elevated onset of strokes, asthma and other respiratory ailments, heart attacks and premature deaths. Black Carbon is one of the [largest causes of glacial ice melt](#) <sup>1</sup> in the world.

Given the [United Nation International Panel on Climate Change's \(IPCC\) August 2021 report](#) <sup>2</sup> and declaration of "code red" with regards to the acceleration of climate change and its impacts, the NJ Board of Public Utilities (BPU) must adopt a medium and heavy duty vehicle (MHDV) electrification policy that embraces the urgency of the times we live in and need to act ever faster.

While the Governor has established funding and incentive programs for purchasing MHDV (e.g. NJZIP, RGGI, VW Settlement funds), they are not nearly enough to effectively achieve zero emissions in the MHDV sector (i.e. 100% of NJ Transit buses being electric by 2040 and 30% of all MHDV on the road being electric by 2030). Even if those programs were fully funded, they do not address MHDV charging infrastructure at all.

Every investment of public and private sector dollars must be strategic as it will set us on a path for decades to come. Additionally, we must be **flexible and nimble regarding allowable technologies** to avoid investing precious ratepayer and public-private investment dollars in supporting obsolete electrification systems for MHDV before the vehicles are even ready to plug in. Additionally, it must be able to accommodate the electrification needs of the different segments of the MHDV sector.

<sup>1</sup>Scientists Track the Source of Soot That Speeds Arctic Melt - Heat-absorbing black carbon comes from fossil fuels in winter and biomass burning in summer, Chelsea Harvey, E&E News Scientific American, February 15, 2019 [https://www.scientificamerican.com/article/scientists-track-the-source-of-soot-that-speeds-arctic-melt/?back=https%3A%2F%2Fwww.google.com%2Fsearch%3Fclient%3Dsafari%26as\\_qdr%3Dall%26as\\_occt%3Dany%26safe%3Dactive%26as\\_q%3DRole+of+black+carbon+in+melting+ice%26channel%3Daplab%26source%3Da-app1%26hl%3Den](https://www.scientificamerican.com/article/scientists-track-the-source-of-soot-that-speeds-arctic-melt/?back=https%3A%2F%2Fwww.google.com%2Fsearch%3Fclient%3Dsafari%26as_qdr%3Dall%26as_occt%3Dany%26safe%3Dactive%26as_q%3DRole+of+black+carbon+in+melting+ice%26channel%3Daplab%26source%3Da-app1%26hl%3Den)

<sup>2</sup>AR6 Climate Change 2021: The Physical Science Basis, The Working Group I contribution to the Sixth Assessment Report, August 2021 <https://www.ipcc.ch/report/ar6/wg1/>

### **Societal and Non-Economic Benefits Matter**

The Utility MHDV filing Cost Effectiveness Analysis must include societal and non-economic benefits such as social cost of carbon, public health and other benefits that provide relief from harm particularly in overburdened or environmental justice (EJ) communities as defined under the NJ Environmental Justice Law, N.J.S.A. 13:1D-157. This would be consistent with other goals and policies of the State to address disproportionate harm based on race, low income and language. The NJ Cost Test could serve as a starting point.

### **Set the Minimum, but Aim High:**

The proposal that is ultimately adopted by the BPU **must be the floor (minimum requirements) not the ceiling** of what the BPU will require and implement in the future. As mentioned earlier, it is particularly important to build in flexibility given the rapidly evolving electric vehicle and charging infrastructure technology, stationary v. mobile devices including wireless, as well as corresponding cost and price breaks.

### **Transparency and Community Engagement:**

The BPU should **create an ongoing work group that includes community and EJ voices**, not just industry, utility, fleet owners and EV corporations. This workgroup should guide policy decisions and EV priorities.

### **Electrify with Green Power Phase/No More Fossil Fuels:**

In keeping with the Governor's environmental justice and equity policies, priority must be given to programs, funding and electrification in already overburdened communities. Every appropriate state agency should take all available steps to **shutdown and replace dirty fossil fuel with green power as quickly as possible** so that electrification yields multiple societal benefits including improved health and quality of life for both local residents and workers.

Presently, fossil fuel power plants and other polluting facilities are predominantly sited in communities of color. Under NJ's new Environmental Justice law and soon to be adopted regulations. This injustice should be mitigated in the future - i.e. NJDEP should say no to fossil fuel power plants and permit renewals could be required to significantly reduce emissions in order to continue operating.

### **EJ Communities must be Prioritized for Relief and Electrification:**

While not all of the recommendations listed below are within the purview of the BPU, coordinating with other agencies is critical to achieving reduction and elimination of dirty diesel MHDV in overburdened communities.

- Prioritize **“make ready”** electrification infrastructure in EJ communities. The timeline for the “last resort” model for charging stations in EJ communities is too long. We shouldn’t have to wait.
- Use **societal benefit charges** in EJ and low-income communities only. Dedicate funds for intended purpose. Stop raiding funds to balance the state budget or meet other goals.
- **Only allow zero emission vehicles** (trucks, buses regardless of public or private ownership) to operate in overburdened communities. Use funding programs to prioritize public fleets and effectively incentivize private fleet turnover to EV and siting of charging infrastructure in EJ communities.
- **Shift freight and goods movement operations outside overburdened communities** where they are currently highly concentrated and the cumulative impact on the community and workers is great.

### **Warehouses and Depots:**

- Given the high concentration of MHDVs at these locations, include **warehouses in “depot” infrastructure**.
- Allow both **public and private fleet to have access to designated charging** locations and depots.
- Create and incentivize **zero emission corridors** where only zero emission vehicles are permitted between ports and warehouse/distribution centers.
- Use **warehouse locations as charging locations** for both MHDV doing business at the site, as well as the community during off peak hours (at night).
- **Require solar power and other onsite renewable energy systems** that can be part of a micro grid or other means for providing back up power to meet future resiliency needs for the site and community.

### **Transit and School Buses:**

There is currently no language in the Straw Proposal to advance electrification of NJ Transit or school buses. This must be remedied and prioritized. The BPU must ensure electrification and adequate infrastructure for public transit and school bus fleets whether they are publicly or privately operated or not. This is **especially in overburdened communities** where diesel exposures are high and options are few to avoid the adverse impacts. Adopt policies that complement and **achieve the stated requirements under NJ’s EV law** (P.L. 2019 C362) - i.e. 50% of transit bus purchases must be electric by 2032 and 100% EV fleet by 2040.

Need to allow for **flexibility in programs and funding in moving people** - redefining transit. Not all public transit is likely to be a bus or train in the future. Electrified public transit fleets should include more options such as shared vehicles, vans, mini buses etc..

### **Bi-directional Power Sharing, Energy Storage and Microgrids:**

BPU should make **provisions and provide funding for bi-directional power sharing** - i.e. capacity to send power from the vehicle battery to power lights, etc. at a site. Particular emphasis must be given to EJ communities that are more vulnerable to power interruptions and lack backup systems (e.g. mobile and stationary battery storage and/or generators). Self contained **micro grids** are another essential means of enhancing resiliency. Alternatively, explore other stable sources of funding (e.g. Clean Energy Budget) to achieve these resiliency goals.

### **Coordination of Multiple Sources of Funding and Programs**

As stated above, the **BPU is not the sole agent of change** for the electrification of MHDV. It will require many agencies (local, state, federal and authorities) and programs. All of the involved **state agencies (BPU, EDA, DEP etc) should coordinate** to maximize effectiveness and pace of the state's EV programs, funding, regulations, and rate setting.

That said, the **BPU must intentionally establish programs that complement, best take advantage, position the state to receive and maximize** effectiveness of a wide range of funding sources - from vehicle purchase to charging infrastructure, workforce development, and climate resiliency including energy storage. In some cases, the funds will be a one time infusion of resources (e.g. federal American Rescue Plan) or ongoing such as federal Diesel Emission Reduction Act (DERA) and Regional Greenhouse Gas Initiative (RGGI).

### **Summary**

Clean Water Action's comments highlight our greatest concerns and are intended to compliment those of our environmental justice partners. Please do not hesitate to contact me if you have any questions and/or seek clarifications. I can best be reached at [agoldsmith@cleanwater.org](mailto:agoldsmith@cleanwater.org) or via cell at 732-895-2502.

Thank you for the opportunity to comment at this time.



Since our founding during the campaign to pass the landmark Clean Water Act in 1972, Clean Water Action has worked to win strong health and environmental protections by bringing issue expertise, solution-oriented thinking and people power to the table. Clean Water Action has 1 million members nationwide and 150,000 members in the Garden State. [www.cleanwater.org/nj](http://www.cleanwater.org/nj)