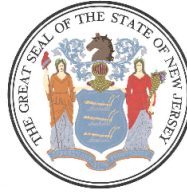


State of New Jersey
Governor Philip D. Murphy
Lt. Governor Sheila Y. Oliver



Joseph L. Fiordaliso
President

Mary-Anna Holden
Dianne Solomon
Upendra Chivukula
Bob Gordon
Commissioners

Board of Public Utilities



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NOTICE¹

IN THE MATTER OF NATURAL GAS COMMODITY AND DELIVERY CAPACITIES IN THE STATE OF NEW JERSEY – INVESTIGATION OF THE CURRENT AND MID-TERM FUTURE SUPPLY AND DEMAND

[Docket No. GO20010033](#)

Pursuant to the “Open Public Meetings Act,” N.J.S.A. 10:4-6 et seq., the New Jersey Board of Public Utilities (“NJBP” or “Board”) hereby gives notice of a Stakeholder Meeting on the findings and recommendations of London Economics International, LLC (“LEI”) as presented in its report entitled, [Final Report: Analysis of Natural Gas Capacity to Serve New Jersey Firm Customers](#) for public comment.

STAKEHOLDER MEETING

DATE: Tuesday, January 25, 2022
TIME: 1 p.m.
LOCATION: Zoom Virtual Webinar
https://us06web.zoom.us/webinar/register/WN_wX4YFEt0RL6t_ogBS8xj1A

By Order dated May 20, 2020, the Board directed Board Staff (“Staff”) to issue a Request for Quotation (“RFQ”) to hire an independent consultant to investigate the current and future natural gas capacity outlook for New Jersey.² As a result, the Board engaged LEI, and on December 15, 2021, the Board released LEI’s final report entitled, [Final Report: Analysis of Natural Gas Capacity to Serve New Jersey Firm Customers](#) for public comment.

The Board directed Staff to begin a stakeholder proceeding to take comments on the findings and recommendations in the LEI Report. Staff will conduct an initial meeting to receive input on the LEI Report’s findings, the proposed non-pipeline alternatives (“NPAs”), and the best practices and playbook to be utilized in the event of a gas capacity shortfall. Staff may hold additional meetings in the future. At the conclusion of this process Staff intends to return to the Board with recommendations for their consideration.

Summary of LEI Gas Capacity Report

The LEI Report concluded, in part, that under its modeling scenarios, the most likely set of outcomes show that there is adequate firm gas capacity through 2030 for the gas distribution companies (“GDCs”) to meet their projected winter design day demand. The assumptions utilized to reach these conclusions are detailed in the report. The LEI Report also included an extensive review of prior conflicting expert opinions on the available gas capacity in New Jersey and rendered conclusions regarding the conflicting expert opinions.

¹ Not a paid legal advertisement.

² In the Matter of the Exploration of Gas Capacity and Related Issues, Order Soliciting an Independent Consultant, BPU Docket No. GO19070846, Order dated May 20, 2020.

Staff is seeking comment on the conclusions of the LEI Report.

Non-Pipeline Alternatives

In developing this report, LEI was tasked with identifying potential NPAs that could be utilized by the State in the event of a gas capacity constraint. Section 2.4 of the LEI Report identified a total of eight (8) NPAs that the State could explore. These included four (4) demand-side NPAs and four (4) supply-side NPAs, as follows:

- Demand Side NPAs
 - Energy Efficiency
 - Voluntary Demand Response Programs
 - Direct Load Control
 - Building Electrification
- Supply Side NPAs
 - Renewable Natural Gas
 - Green Hydrogen
 - Liquefied Natural Gas and Compressed Natural Gas
 - Advanced Leak Detection

Staff is seeking comment on these potential NPAs, including their viability and potential implementation.

Best Practices and Playbook

Section 5 of the LEI Report included recommended best practices and a playbook that could be utilized in the event of a gas capacity shortfall. The playbook provided three (3) scenarios, based upon the degree of the shortfall. These included:

- Elevated (Yellow) Alert: Potential Winter Design Day conditions, where, while no shortfall of supply is necessarily predicted, customers would be encouraged to conserve gas.
- Critical (Orange) Alert: Potential 1-in-90 Design Day conditions with a shortfall of up to about 150 MDth/d.
- Emergency (Red) Alert: Conditions such as a Perfect Storm, combining a Winter Design Day and a 900 MDth/d outage on a major pipeline, for a shortage of 525 MDth/d as posited in Section 4.

The LEI Report contains a number of recommended strategies that could be implemented during an alert, including: coordination strategies (across agencies and across gas and electric operators); equipment (e.g., smart thermostats, winterized equipment, and hardened infrastructure); pre-event communications platforms and protocols; and enforceable regulations based on penalties and rewards, in place ahead of time.

Staff is seeking comment on the best practices and playbook, including their viability and potential implementation.

The deadline for comments on the report is 5 p.m. on February 8, 2022. Please submit comments directly to the specific docket listed above using the “Post Comments” button on the Board’s [Public Document Search](#) tool. Comments are considered “public documents” for purposes of the State’s Open Public Records Act and any confidential information should be submitted in accordance with the procedures set forth in N.J.A.C. 14:1-12.3.

Written comments may also be submitted to:

Aida Camacho-Welch

Secretary of the Board
44 South Clinton Avenue, 1st Floor
Post Office Box 350
Trenton, NJ 08625-0350
Email: board.secretary@bpu.nj.gov

Please submit any questions regarding this matter to kevin.nedza@bpu.nj.gov and include the subject line "Comments on LEI Gas Capacity Report" as applicable.



Aida Camacho-Welch
Secretary

Dated: January 6, 2022