

February 8, 2022

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

Re: I/M/O Natural Gas Commodity and Delivery Capacities in the State of New Jersey – Investigation of the Current and Mid-Term Future Supply and Demand
BPU Docket No. GO20010033

Dear Secretary Camacho-Welch:

The New Jersey Utilities Association (“NJUA”) represents investor-owned utilities that provide electric, natural gas, telecommunications, water and wastewater services to residential and business customers throughout the state. In response to the New Jersey Board of Public Utilities’ (“Board” or “BPU”) request for input on the findings and recommendations of London Economics International, LLC (“LEI”), (Docket No. GO20010033), NJUA offers these comments on behalf of our natural gas utility members for your consideration. Each NJUA member participating in this letter reserves the right to submit comments on an individual basis.

NJUA and its member companies firmly believe that adequate access to supplies of low-cost natural gas is crucial for both energy affordability and reliability, and that we must ensure that there is a sufficient supply of natural gas to meet statewide home heating demand. Reliability of home heating is a life, health and safety issue in New Jersey, and as such, it is critical that we avoid hindering or jeopardizing service reliability. Ensuring sufficient capacity is key to keeping costs low and making sure we meet capacity to serve demand on our coldest day (design day demand). New Jersey is the tenth-highest natural gas consuming state in the country. Capacity constraints have resulted in price spikes that cost New Jersey consumers and businesses during very cold days, and our members do their best to avoid and mitigate any added costs.

With respect to the state’s environmental goals, New Jersey’s gas utilities have shown leadership on sustainability-oriented solutions, including significant efficiency programs, and developing next-generation supply sources like hydrogen and renewable natural gas, which must be part of the long-term solution. These solutions will help ensure the continued provision of safe, reliable, and resilient utility service that is

a key component of New Jersey's economy and enables the high quality of life we enjoy. With this understanding, it is important that we have and maintain adequate access to and locations for supply to ensure that there is infrastructure in place to work to diversify supply with these new sources. It is also important to note, our gas member companies do support working through non pipeline alternatives with the Board. Considering that we have some reservations regarding the accuracy of all the assumptions in the LEI report, the utilities are focused on working through this to ensure we reach a feasible solution.

We note our concurrence that it is important to develop best practices in order to cope with low-probability, high impact events and express our support for the concept of a playbook referenced in the study. However, we strongly recommend that the gas utilities have a seat at the table to provide input and help thoroughly develop any such playbook. We urge the Board to convene additional discussions with New Jersey's natural gas distribution companies and thank you in advance for your engagement with stakeholders and your consideration of our comments. If you have any questions or would like to further discuss this matter, please do not hesitate to contact me at (201) 349-2783 and tchurchelow@njua.com or Christina Farrell, Senior Director of Government and Public Affairs at (856) 207-0302 and cfarrell@njua.com.

Sincerely,



Thomas R. Churchelow, Esq.
President & CEO