



July 29, 2022

Hon. Carmen Diaz  
Acting Secretary of the Board  
New Jersey Board of Public Utilities  
44 South Clinton Ave., 1st Floor  
PO Box 350  
Trenton, NJ 08625-0350

**RE: UPDATES TO NEW JERSEY'S CLEAN ENERGY PROGRAM: NEW CONSTRUCTION PROGRAM**

**DOCKET NO. QO22050327**

Dear Acting Secretary Diaz,

The New Jersey Propane Gas Association (NJPGA) is pleased to submit these comments re updates to New Jersey's Clean Energy Program and its New Construction Program.

NJPGA is the statewide trade association representing propane distribution and service companies who serve more than 120,000 residential, commercial and industrial customers who rely on propane for their energy needs including space heating, water heating, cooking, recreational uses, manufacturing processes and transportation.

NJPGA applauds the State's efforts to streamline and consolidate where possible, many of the application processes, software and program administrative features that can present obstacles for new construction, especially among small businesses.

At the same time, NJPGA objects to the inherent bias described in the New Construction Program's repeated references to electrification of new and existing structures. Despite the Clean Energy Program's stated goals of energy efficiency, the proposed updates ignore the significant costs and tradeoffs implicit for electrification. The New Construction Program's objectives discourage investigation of energy options, including propane, which are safe and often more cost-effective than electrification, with environmental advantages.

There appears to be no hint, let alone discussion or analyses of the costs of equipment, conversion and operating costs which can be four-five times greater for electricity than for propane. And much of the state's electricity is derived from fossil-fueled sources pending the distant development, hidden costs and questionable reliability of renewable energy.

The proposed updates, like the State's Energy Master Plan, likewise deprive owners of commercial or residential properties of opportunities for choosing the energy source that they deem appropriate for their construction project. The updates essentially steer developers toward electrification to the detriment of other energy providers who should be allowed---and expected---to compete for the opportunity to service new construction.

Energy is a major factor in a building's economic viability, whether the building is a home, office, store, warehouse or other industrial property. Omitting a substantive discussion of energy costs, including cost/benefit analyses of various energy options, circumvents or defeats the stated goals of the Clean Energy Program. Avoiding that analysis also deprives project developers of essential data for determining their project's financial structure, operating costs, leasing or rental terms, among other factors.

From an environmental perspective, propane is already one of the cleanest forms of energy available. Using propane produces 43 percent fewer greenhouse gas emissions than using an equivalent amount of electricity generated from the U.S. grid. Next to solar and wind, propane is one of the cleanest renewable fuels approved under the Clean Air Act.

And today's propane equipment and appliances are cleaner and more efficient than ever. Compared to the full-cycle costs of the electrical grid, there's no reason to dismiss propane as an environmentally viable energy choice.

NJPGA fully supports State goals of a greener, energy efficient economy. Our Association urges the State to fully disclose the cost of these goals in the New Construction Program, in the Clean Energy Program and more broadly in the State Energy Master Plan, to residential, commercial and industrial consumers and for State government itself.

Everyone wants a clean environment. Everyone likewise needs to know the full costs of the State's planned energy transition, and how that transition will dictate enormous costs to consumers compared to the energy choices they currently enjoy.

It's not an impossible tradeoff. Members of the NJPGA are available to provide further documentation of our comments and to work toward improvements in the State's Clean Energy Program.



**Henry S. Papiano** / President

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