

New Jersey

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STATEMENT OF THE NEW JERSEY ALLIANCE FOR ACTION

IN SUPPORT OF:

ENERGY STORAGE INCENTIVE PROGRAM PROPOSAL

BY

PUBLIC SERVICE ELECTRIC & GAS CO.

BEFORE THE NEW JERSEY BOARD OF PUBLIC UTILITIES

OCTOBER 21, 2022

Good Morning, I am William R. Healey, Special Advisor to the President at New Jersey Alliance For Action. This morning I represent our President Gerald T. Keenan.

The New Jersey Alliance for Action is a non-partisan and non-profit association representing thousands of business, labor, government, utility, education, professional and other New Jersey leaders. Our mission is to improve New Jersey's economy through the promotion of environmentally friendly capital construction and infrastructure investment.

For over 40 years, the Alliance has focused exclusively on promoting responsible infrastructure investment in New Jersey and the region including energy delivery and renewable energy, transportation, water, and coastal protection.

Thank you for allowing me to share the Alliance's perspective on the New Jersey Energy Storage Incentive Program, or "NJ SIP," Straw Proposal.

We want to recognize the Board for making progress toward developing a framework to promote the development of energy storage resources in New Jersey. It is the next step toward achieving the clean energy future we all want for our State. Energy Storage is a missing

link in realizing that vision. New Jersey has become a leader in developing renewable resources, including solar and offshore wind, as well as energy efficiency. By storing clean energy when it is abundant and less expensive, we can help usher in our shared clean energy vision without compromising reliability.

As was previously noted, the New Jersey Clean Energy Act set goals to have 2000 megawatts of storage in place by 2030. An interim goal of 600 MW by the end of 2021 was not met, so clearly, we have a long way to go.

To achieve this target, New Jersey should take advantage of all avenues to expedite the development of storage resources. At present the State's utilities, which manage the New Jersey electric grid, are excluded from the NJ SIP proposal. Utility storage systems would enhance the value of renewables by smoothing out short-term changes in output that come when the output of renewables is lower than expected. That storage capacity means more renewable power can still be available and fewer carbon emissions that are warming the planet.

For example, PSE&G, New Jersey's largest utility, can and should play a leading role in helping to spur the development of energy storage resources in New Jersey. And it is willing, having offered a modest program, to develop 35 megawatts of storage. PSE&G has a clearly distinguished record over more than a century of power generation. It also has the expertise to quickly scale up the development of energy storage resources. It already has built five solar plus energy storage facilities as part of its Solar 4 All[®] program. The Alliance for Action has previously endorsed that program before the Board of Public Utilities.

Allowing utilities to play a larger role in the NJ SIP would facilitate achieving the State's energy storage goals, similar to the utilities' contribution to developing solar energy. Broader utility involvement in developing energy storage would support better integration of renewable energy onto the electric grid, provide resiliency for critical infrastructure, and enable electric lines to handle greater capacity during peak electric use.

Thank you for the opportunity to address this important public forum of the NJ Board of Public Utilities.