

July 6, 2023

Via Electronic Mail

Sherri Golden, Board Secretary
Board of Public Utilities
44 South Clinton Avenue, 1st Floor
P.O. Box 350
Trenton, New Jersey 08625-0350
board.secretary@bpu.gov

**Re: In the Matter of the Implementation of L. 2018, c. 16 Regarding the
Establishment of a Zero Emission Certificate Program for eligible Nuclear Plants
Docket No. EO18080899**

**Application for Zero Emission Certificates of Hope Creek Nuclear Power Plant
Docket No. EO18121337**

**Application for Zero Emission Certificates of Salem 1 Nuclear Power Plant
Docket No. EO18121338**

**Application for Zero Emission Certificates of Salem 2 Nuclear Power Plant
Docket No. EO18121339**

Dear Secretary Golden:

PSEG Nuclear LLC (“PSEG”) and Constellation Energy Generation, LLC (“Constellation”) jointly submit these comments in connection with the request for comments issued by the Staff of the Board of Public Utilities (“Staff”) on June 22, 2023 in the above-captioned matters (the “June 22 Request for Comments”). PSEG and Constellation own the Salem 1 Nuclear Power Plant and Salem 2 Nuclear Power Plant, and PSEG owns the Hope Creek Nuclear Power Plant (the “Hope Creek and Salem Plants”).¹ All of the plants are operated by PSEG. The plants are located in Lower Alloways Creek Township, New Jersey.

In 2018, the State Legislature took the critical step of passing the Zero Emissions Certificate Act (“ZEC Act”), in which the Legislature recognized that in order to meet the State’s clean energy goals and mitigate the harm from climate change, it needed to prevent the

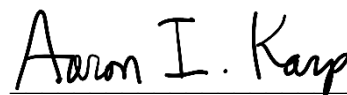
¹ Salem 1 and 2 are operated by PSEG and are jointly owned by PSEG (57.41%) and Constellation (42.59%). On February 1, 2022, Constellation assumed the 42.59% ownership of the Salem 1 and Salem 2 plants formerly held by Exelon Generation Company, LLC.

premature retirement of nuclear power plants, which are existing zero-emission sources of energy that provide 40% of New Jersey's electric power needs and more than 90% of the carbon-free power generated in New Jersey.² The New Jersey Legislature recognized that the ZEC program is a cost-effective means for the State to achieve its clean energy goals. In addition, the Legislature recognized that it priced the value of a ZEC below the "social cost of carbon," which is the value to society of avoiding carbon emissions.³

The Legislature entrusted the Board of Public Utilities ("Board" or "BPU") with a process to evaluate an applicant nuclear plant's eligibility for ZECs, and it is under this process that the Board determined that the Hope Creek and Salem Plants were eligible to receive ZECs from April 18, 2019 through May 31, 2022. That ZEC award compensated the Hope Creek and Salem Plants for their fuel diversity, resilience, air quality, or other environmental benefits associated with their operation through May 31, 2022.

In compliance with the ZEC Act and the Board's May 20, 2020 order in the above-captioned matters, PSEG and Constellation submitted annual filings from 2019-2022 for Staff's review. PSEG and Constellation appreciate Staff's careful review of those filings, and agree with the preliminary findings in Staff's June 22 Request for Comments.

Very truly yours,

A handwritten signature in black ink that reads "Aaron I. Karp". The signature is written in a cursive, slightly stylized font. The first name "Aaron" is written in a larger, more prominent script, followed by "I." and then "Karp".

Aaron I. Karp

² The ZEC Act is at N.J.S.A. 48:3-87.3 et seq.

³ N.J.S.A. 48:3-87.3(b)(8).