

IN THE MATTER OF THE 2024 NEW JERSEY ENERGY MASTER PLAN

Docket No. QO24020126

Commenter:

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Comments:

Do not ignore the potential to influence national policies as a key part of New Jersey's EMP. While we cannot count on national decisions and actions to achieve New Jersey's portion of a global reduction in climate warming emissions, we can add strategies that make specific national decisions and actions more likely. The first thing we can do in this regard is to make an honest comparison of how New Jersey's emissions would be reduced, and at what cost, by New Jersey only actions vs. the adoption of national policies such as a national carbon fee and dividend program. A widely endorsed model with signatures of more than 3,200 economists globally, including more than 80 from New Jersey Universities all of whom call this "...the most cost-effective lever to reduce carbon emissions at the scale and speed that is necessary" can be found at <https://clcouncil.org/economists-statement/>

Maintaining awareness and a regular conversation that highlights comparison of costs per ton of emissions reductions between such optimal national policies and least-cost New Jersey policies can be a constant force driving conversations within and beyond New Jersey about the advantages of acting nationally. Such comparison can also provide context and room for greater consent to the inevitably more costly actions we will need to undertake in the meantime. If people don't like the New Jersey solutions, we will steadily invite them to help us make a cheaper national plan a reality.

Imagining that New Jersey cannot be an effective advocate with power far beyond its individual congressional representatives to make national change, would be both timid and disingenuous to New Jersey's stated claims of seeking genuine least cost solutions.

Imagining that New Jersey could achieve least cost paths by careful government-led planning alone without the incredible efficiencies of economy-wide market forces would be hubristic and a disservice to the citizens who will pay the costs either way.

There is a wide berth for potential policies that New Jersey could adopt and actions it could take that would lean strongly toward a national carbon fee and dividend. Most or all possible actions could be set up from the beginning to resolve upon adoption of such a national policy so as not to be redundant and to be consistent with the original goal. Examples include:

- Divestment of state assets from fossil fuel equities with their wildly inaccurate valuations that lean on unaccounted-for externalities. Once carbon is priced, they can be properly considered and chosen for investment if still of value.
- Targeted and novel legal action related to carbon sources. Build upon existing state actions and recoup costs or apply penalties representing the avoided externalities until national carbon pricing is achieved.

- High profile, broad and sustained public campaigns. Build from our current embrace of RGGI to highlight how much of the market this misses, how a national market will provide cheaper solutions, optimum choice and unlock new business opportunity and entrepreneurship. While cases might seek penalties, there need not be bad actors – only a need to account for true costs. Cases could be dropped if national policies achieve the accounting.

I encourage our New Jersey decision makers to be bold in seizing ALL opportunities to meet the incredible and costly challenge before us. We are already lining up to pursue many simultaneous, complicated, and costly efforts that fall entirely upon New Jersey's citizens. Surely, they deserve our acknowledgment of and earnest effort to bring into being any truly optimal, truly least cost alternative, even where we lack complete control to guarantee or decide the path.

Sincerely,

-Knut Jensen