



**June 12, 2024**

**IN THE MATTER OF THE 2024 NEW JERSEY ENERGY MASTER PLAN  
Docket No. QO24020126**

**Engineers Labor-Employer Cooperative**  
The Labor-Management Fund of Operating Engineers Local 825  
65 Springfield Avenue, 2<sup>nd</sup> Floor,  
Springfield, NJ 07081

All New Jersey residents deserve access to clean, reliable and affordable energy and a safe environment today for future generations tomorrow. This is not disputed. However, after seven years of ‘transformative’ promises on paper for renewables, complete electrification, and electric vehicle mandates, New Jersey has nothing but black eyes to show for the time spent. At the same time, instead of ‘hedging our bets’ as most on Wall Street might suggest ensuring we have backup options, the state canceled billions in traditional and reliable energy projects that would have significantly reduced costs to residents and emissions.

The 2024 New Jersey Energy Master Plan, further referred to as EMP 2.0, must feature an energy policy that promotes investments in our infrastructure and creates a diverse energy portfolio that expands capacity, reduces emissions, increases reliability, and lowers costs for residents and businesses – these are the principles that are our organization respectfully requests consideration of in the draft of EMP 2.0. However, we are deeply troubled by the direction the 2024 energy master plan is headed, which will undoubtedly result in both policy and financial failure like the 2019 energy master plan.

The Engineers Labor-Employer Cooperative is a labor-management trust that represents the combined interests of the nearly 8,000 members of the International Union of Operating Engineers Local 825, and the more than 1,000 signatory union contractors who employ them. As a multi-state organization, ELEC focuses on promoting economic development and advocating for investments in infrastructure -- not only to provide work opportunities but to ensure that our members, contractors, and their families, have the quality of life they deserve as residents of New Jersey.

IUOE and contractors invest millions annually, host and operate two state-of-the-art training campuses, and are making significant advancements and investments in STEM higher education for our members to keep up with equipment technology, software and hardware, internal computers, GPS and other advanced features, which will be required to build the energy of the future. As we plan the energy mix of the future, it is critical to keep in mind that organizations like ours have already begun putting the pieces in place to ensure our membership is up-to-date and ready to work.

Investments in infrastructure, whether energy or otherwise, are critically important to quality of life. Not only do investments in infrastructure create well-paying jobs and spur the local economy during construction, but at full build they add resiliency and redundancy to our energy systems, and protect our residents and businesses from costly and inconvenient outages during extreme weather events such as Hurricane Sandy. Modernizing and maintaining our systems proactively rather than after failure is more cost-effective and helps keep energy affordable for ratepayers in the long run. This will include a significant investment in our current and future natural gas infrastructure. It is very troubling that despite the state using natural gas to heat more than 70% of homes & businesses, as well as providing nearly 50% of electricity, that we would actively pursue any policy counter to expansion and investment of the resource.

Sadly, in just the time since public hearings on the 2019 Energy Master Plan was conceived, the State of New Jersey has actively campaigned, filed lawsuits and blocked nearly \$15 Billion in natural gas project investment. Below is just a short example of the pipelines, compressors, powerplants, and other projects that have been actively opposed since 2018:

#### **PIPELINES & COMPRESSOR STATIONS:**

##### *PennEast Pipeline*

- \$1.62 Billion Economic Benefit
- 12,000 Jobs
- \$740 Million Wages

##### *Northeast Supply Enhancement Pipeline*

- \$1 Billion Economic Benefit
- 3,186 Jobs
- \$234 Million Wages
- \$2,300 annual savings to customers

##### *Cape Atlantic Reliability Project*

- Connector to B.L. England Coal conversion

- Supply 142,000 Customers in Cape May & Atlantic Counties
- \$400 million project

*Franklin Compressor Station*

- \$1 Billion Economic Benefit (NESE)

**POWERPLANTS:**

*North Bergen Liberty Generating Power Plant*

- \$1.5 Billion project
- 620 construction jobs
- 1000 direct and indirect jobs
- \$5 million economic benefit annually

*B.L. England*

- \$400 million project
- \$6 million energy taxes
- \$300K property taxes
- Conversion of coal & oil to natural gas

*Phoenix Energy Center*

- \$500 million project
- 450 constructions job
- 125 full & service jobs

*Keasbey Energy Center*

- \$1.3 Billion project
- 657 MW powerplant
- 600 + construction jobs

*NJT Powerplant*

- \$1.56 Billion project

*Passaic Valley Sewage Commission*

- \$180 million gas back up plant

These are just a small representation of what could have been over the course of 8 years. For Operating Engineers specially, this represent billions in direct wages that have been lost because of specific policy decisions made by this administration and the Board of Public Utilities. Also of note, a significant portion of these project totals are not adjusted for current inflation.

**Using the industry standard infrastructure investment multiplier, just referencing the aforementioned projects alone has cost New Jersey \$30 Billion in economic benefit in 7 short years. This must be reversed.**

According to the Environmental Protection Agency, from 2005 until 2020, New Jersey reduced emissions by more than 32% - much of which was achieved by transitioning to natural gas. Why we would completely reverse this trend remains puzzling and defies common sense logic.

Further, existing natural gas infrastructure, in which ratepayers and residents have already invested tens of billions over the decades, can continue to drive further emissions reductions through simple maintenance upgrades to existing systems as well as new technologies like renewable natural gas and hydrogen.

As the State of New Jersey advocated at all levels for the Offshore Wind Industry to make New Jersey its permanent home, they did this at the cost of the Operating Engineers and union workers. Despite many press releases regarding onshore work... The question of whom would be installing the terminals and turbines offshore continues to linger to this day. This must be addressed before any additional tax dollars; tax breaks or investments are made.

We would also ask regulators take a much broader view of the electric vehicle mandates in EMP 2.0 – both from a consumer and from a heavy highway construction stand point. As it stands, at the time of this writing, there is no proven or reliable technology in the marketplace to compete with current diesel construction equipment. This is an inarguable fact. Any efforts to phase this equipment out will result in crumbling roads and bridges, significantly delayed construction timelines on public infrastructure projects and costs that grow exponentially.

The International Union of Operating Engineers are the men and women who move mountains. For the last 120 years, our members have been at the forefront of our nation's infrastructure changes. We've cleaned up the past and continue to build the future. We are not fearful of change or technological advancement as we have literally driven advancement for over a century. We simply ask that regulators take a breath, look at all of the contributing factors, be transparent about the bigger picture, and make smart decisions about achievable priorities – not political statements masquerading as public policy.

Thank you.