



The Clean Power Plan: Impact on New Jersey

New Jersey Clean Air Council
Annual Public Hearing

April 28, 2016
9:30 a.m.

Thomas Edison State University
101 W. State Street
Trenton, NJ 08608

Background

The effect of greenhouse gases on human health and the environment is receiving increasing international attention. On August 3, 2015, EPA issued its Clean Power Plan (CPP or the Plan) rule to reduce carbon dioxide (CO₂) emissions from existing power plants. States are required to submit to EPA initial compliance plans by September 6, 2016 and final plans by September 6, 2018. New Jersey is one of 27 states seeking a judicial stay of the Plan.

In New Jersey, electricity generation accounts for approximately 21% of greenhouse gas emissions, second only to transportation. New Jersey does, however, have one of the cleanest power sectors in the nation. EPA estimates that the CPP would reduce greenhouse gases from the power generation sector by 32% below 2005 emission levels nationwide. The Plan relies upon three actions to be taken by states and power companies: 1) modify processes and equipment to produce more efficient electric generation, 2) switch electric generation using coal as a fuel source to natural gas combined cycle units, and 3) incorporate renewable energy into their operations to replace fossil fuel use.

Implementation

All states are facing important considerations and decisions in the implementation of the Clean Power Plan. Under the CPP, states must develop plans that ensure that the power plants in their state – either individually, together, or in combination with other measures – achieve the CPP’s CO₂ emission goals. Under the Plan, each state must make decisions about whether and how to develop a plan, plan type (mass-based or rate-based), clean energy strategies (renewable energy, energy efficiency, nuclear power, shifting from coal to natural gas, and other options), emissions trading (no trading, in-state trading, or multi-state trading), and compatibility with existing clean energy state policies and programs. There are many options, each with its benefits and drawbacks.

To help advise New Jersey on its options and decisions, the New Jersey Clean Air Council invites you to join us for presentations and discussion following expert testimony by several key presenters. Below is a sample of questions that will be considered by the CAC during the discussion:

How to testify

The New Jersey Clean Air Council (CAC) has invited guest speakers to participate in a public hearing to consider many of the issues raised by the Clean Power Plan (CPP), and to discuss how federal CPP requirements will affect New Jersey and what path toward compliance is best for the State. Anyone can submit detailed written comments to be incorporated into recommendations to the Commissioner of the NJDEP. Written statements in Microsoft Word format will be accepted until May 20, 2016 via email to Heidi.Jones@dep.nj.gov or mailed to New Jersey Clean Air Council, Mailcode 401-02, 401 E. State Street, 2nd Floor, P.O. Box 420, Trenton, NJ 08625-0420. Those who wish to address the Council should contact Heidi Jones at (609) 777-0598 or via e-mail before April 20. To learn more about the CAC, visit <http://www.nj.gov/dep/cleanair/>.

- What are the pros and cons of developing a state plan or accepting the federal plan?
- What are the overall impacts of the various CPP options on the cost of electric generation and the price of electricity?
- What implementation approaches are other states in the region considering? What about trading options?
- Are there specific considerations that New Jersey needs to weigh in its decision-making relative to its participation in PJM?
- How does the New Jersey Energy Master Plan relate to and affect compliance with the CPP?
- What energy investments do New Jersey stakeholders desire and what CPP options encourage those investments?
- What are the environmental justice and community issues that should be considered with respect to implementation of the CPP?
- Should New Jersey participate in the optional Clean Energy Incentive Program, which rewards early investment in solar and wind statewide, and energy efficiency in low-income communities? If so, how might New Jersey take full advantage of this program?