Honorable Governor Murphy: DRAFT FOR COMMENT (v7.5) August 2, 2021

Our goal is to reduce NJ 2005 levels of Green House Gas (GHG) emissions 50% by 2030, through a combination of legislation, government action, and incentives, with an eye to near 100% reduction by 2050.

On July 2, 2021, your Policy Advisor, Ms. Hannah Thonet, provided a thoughtful response to a question submitted for an “Ask the Governor” at the end of June. Ms. Thonet concluded with a request for thoughts on how to facilitate local action in municipalities. This letter provides 3 recommendations in answer to her request.

**Recommendation 1: Define steps required for NJ to achieve 50% GHG reduction by 2030.**

NJ must define and codify steps to achieve 50% GHG reduction by 2030, especially in the transportation and building sectors. Steps include legislation, government actions, and incentives that implement how to achieve that reduction, including planned actions that municipalities can incorporate in their emission reduction plans as described in Recommendation 2.

The three recommendations in this letter reinforce a July 21, 2021, petition from Empower NJ to the NJ DEP. [[1]](#footnote-1) (Empower NJ represents a coalition of 123 NJ groups, together with 58 supporting environmental groups.) This petition requests NJ DEP adopt rules that set a 50% GHG reduction target by 2030 from 2005 levels and implement changes for achieving that reduction.

See **Attachment 1** “Example NJ Actions that Provide Leadership, Guidelines, Requirements, Funding, and Policy Education for the Municipal Energy and Emission Reduction Plans”.

**Recommendation 2: Mandate that each municipality create a 10-year energy and emissions reduction plan.**

We recommend incentives and a mandate that each NJ municipality create a 10-year energy and emissions reduction plan that includes a commitment to reach a 50% GHG reduction by 2030 and a further goal of near 100% reduction in GHG by year 2050. The “Middletown Energy Plan” [[2]](#footnote-2) is one example of such a plan (currently under consideration by Middletown Township). We further understand that the success of such plans is also heavily dependent on a combination of strong and appropriate state and national actions.

The 50% GHG reduction effort can build upon existing programs under the SustainableJersey.com "Gold Star in Energy", which fully documents and supports Green Team actions to reduce major GHG sources within municipalities. Sustainable Jersey is currently providing yearly detailed GHG data for each participating NJ municipality. To support the municipalities and their Green Teams in creating the 10-year energy and emissions reduction plans and reaching their goals, we recommend that the state work with Sustainable Jersey to establish and fund a clean energy resource center to provide expertise, guidance, technical support, statistics, and model plans for each municipality, and to review, provide feedback on, and approve the energy and emissions reduction plan of each municipality. Municipalities should also be encouraged to join, share ideas and participate in multi-city initiatives such as the “America Is All In” movement[[3]](#footnote-3) or “Race to Zero” [[4]](#footnote-4) .

Annually, each municipality will report its progress to Sustainable Jersey and update its plan, which NJ would review. New Jersey would publish an overall report on progress as well as maintain a publicly available website containing all the municipal plans and reduction reports for every year.

See **Attachment 2** “Example NJ Education, Incentive, and Publicity Campaigns for NJ Consumers To Achieve GHG Reduction Measures”. NJ can choose among these and many other campaigns to aid residents and businesses to meet their GHG reduction plans.

**Recommendation 3: Take rapid steps to achieve 100% clean electricity by 2035**  [[5]](#footnote-5).

Achieving 100% clean electricity is necessary for creating a carbon free future for our world, our children, and our grandchildren. We must act now to stop the worst effects of global warming.

In June, 2021, the NJ BPU staff issued “Alternative Resource Adequacy Structures for New Jersey”[[6]](#footnote-6) . NJ BPU staff reported that policies can be put in place to reach 92% Clean Energy by 2030 as shown by Figure 15, page 49. Hence, 100% Clean Energy by 2035 ought to be achievable if the right policies are put in place. Steps and funding are needed to ensure adequate electric grid capacity, resiliency, and reliability for the increased renewable electric demand as well as anticipated climate change weather impacts and sea level rise.

Thank you in advance for considering our recommendations. We look forward to your response. And we thank you for the leadership you continue to demonstrate in addressing climate change. We also thank Hannah Thonet, who solicited our input on facilitating local action in municipalities.

This letter is authorized by the "50 x 30 Team” (50% GHG reduction by 2030).

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Copy to (with attachments): Hannah Thonet, Policy Advisor | Energy + Environment, Office of the Governor; Hannah.Thonet@nj.gov

**Attachment 1: Example NJ Actions that Provide Leadership, Guidelines, Requirements, Funding, and Policy Education for the Municipal Energy and Emission Reduction Plans.**

* Quickly implement the actions requested in a petition for the NJ BPU[[7]](#footnote-7), including the following example:

“To comply with the [NJ] GWRA and meet the commitment the State [of NJ] made as a member of the Climate Alliance, DEP should adopt rules that set a 50% collective GHG reduction target by 2030 from 2005 levels and implement how that reduction is to be achieved.”

* Create strong programs and incentives encouraging businesses, residents, and municipalities in NJ to convert to Electric Vehicles with clear objectives for rapid conversion aligned with the 50% GHG reduction target by 2030.
* Provide strong EV charger programs and incentives for all residences and businesses in support of the prior objectives.
* In addition to passenger vehicles and light trucks, ensure that delivery, medium and heavy-duty trucks, and buses all have a strong zero emission objectives with specific target year(s).
* Provide strong incentives and requirements to deploy “cold climate” heat pumps in new and existing buildings aligned with the 50% GHG reduction target by 2030.
* Provide strong incentives for appliance replacement to convert all fossil fuel appliances to energy efficient electric appliances, including heat pump dryers and water heaters.
* Provide guidelines to municipalities regarding mandatory building codes for carbon-free, green buildings and energy efficiency for both new and existing buildings, and to prevent any new installations or conversions to natural gas.
* Expand existing programs that encourage and fund renewable solar and wind electric generation.
* Ensure adequate electric grid capacity, resiliency and reliability for the increased renewable electric demand as well as to anticipate further climate change and adverse weather impacts and sea level rise.

**Attachment 2**: **Example NJ Educational, Incentive and Publicity Campaigns for Consumer GHG Reduction Measures**

The top three Green House Gas (GHG) sources in NJ are 1) Transportation (40% of total), 2) Natural gas for space heating and appliances (30%), and Electricity generation (20%). Tackling all three of these immediately and simultaneously provides the most effective means of GHG reduction. Examples for consumer outreach strategies in each of these three categories follow.

1. ELECTRIFY TRANSPORTATION
   * Partner with EV manufacturers for campaigns to educate the public on the benefits of EVs, e.g., the Ford F150 EV.
   * Provide incentives for car dealerships to install charging stations at strategically viable locations, with advertising for dealership.
   * Provide more incentives to convert municipal fleets to EVs.
   * Provide incentives and publicity to municipalities to add charging stations to existing single as well as multi-family dwellings and to businesses.
   * Provide a pilot program for police EVs.
   * Provide strong goals and regulations to encourage conversion of delivery, medium, and heavy trucks to electric or zero emission vehicles.
   * Ensure EV maintenance is taught in votech schools and community colleges, to support an EV infrastructure.
2. ELECTRIFY AND IMPROVE EFFICIENCY OF SPACE HEATING AND APPLIANCES
   * Provide incentives and publicity to municipalities to encourage conversion to electric heat pumps for space and water heating and for improving efficiency in existing homes and businesses, as well as requiring it in new construction.
   * Educate dealers and contractors on the benefits of energy efficiency measures and conversion to electric for dealing with consumers, and on obtaining incentives and rebates available from state and federal governments.
3. 100% CLEAN ELECTRICITY GENERATION
   * Provide publicity and incentives for municipalities, and their residents and businesses, to adopt clean electricity from aggregated electricity or community solar projects or from third-party clean electricity suppliers.
   * Provide incentives and publicity for municipalities and their residents and businesses to install rooftop solar for either private use or community solar projects.
4. Leverage existing environmental student groups to influence parents and businesses to invest in achieving 50% GHG reduction by 2030 (applies to all 3 initiatives, e.g., buying EVs, home efficiency measures, or switching to clean electricity).

1. [https://www.cleanwateraction.org/sites/default/files/Final%20petition%207-21-21.pdf](about:blank) [↑](#footnote-ref-1)
2. [http://climate.smiller.org/energy-plan/Middletown-2020-Energy-Plan/MiddletownEnergyPlan-V2-2020-8-8.pdf](about:blank) [↑](#footnote-ref-2)
3. [https://www.americaisallin.com/wp-content/uploads/2021/04/all-in-climate-strategy-report2021rd3-3.pdf](about:blank)   
    Working Paper: An All-In climate strategy can cut U.S. emissions by 50% by 2030 [↑](#footnote-ref-3)
4. [https://racetozero.unfccc.int/system/cities/](about:blank) [↑](#footnote-ref-4)
5. President Biden’s goal of “carbon pollution-free power sector by 2035”: <https://www.whitehouse.gov/briefing-room/statements-releases/2021/04/22/fact-sheet-president-biden-sets-2030-greenhouse-gas-pollution-reduction-target-aimed-at-creating-good-paying-union-jobs-and-securing-u-s-leadership-on-clean-energy-technologies/> [↑](#footnote-ref-5)
6. [https://nj.gov/bpu/pdf/reports/NJ%20BPU%20RA%20Investigation%20%28Final%29.pdf](about:blank) [↑](#footnote-ref-6)
7. [https://www.cleanwateraction.org/sites/default/files/Final%20petition%207-21-21.pdf](about:blank) [↑](#footnote-ref-7)