

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

SENATE, No. 3392

with committee amendments

STATE OF NEW JERSEY

DATED: DECEMBER 14, 2023

The Senate Budget and Appropriations Committee reports favorably and with committee amendments Senate Bill No. 3392.

As amended, this bill would exempt electricity sold to certain recovered materials manufacturing facilities from all current and future renewable energy portfolio standards obligations, beginning in 2024.

Specifically the bill would apply to recovered materials manufacturing facilities that: (1) received service under an electric public utility rate that applied only to the owner of the facility on January 1, 2004; (2) manufacture products made from recovered materials, provided, however, that not less than 50 percent of the content of such products produced in this State meet the definition of recovered materials; and (3) have in place a collective bargaining agreement.

Current law, P.L.2022, c.110 (C.48:3-87.14) exempts electricity sold to certain recycled materials manufacturing facilities from the State's renewable portfolio standards. The law further provides that the facilities are not required to pay any charges designed to offset any renewable energy portfolio standards obligation of its electric power supplier or basic generation service provider. This bill would extend the same exemption to certain recovered materials manufacturing facilities, as described above.

COMMITTEE AMENDMENTS:

The committee amendments:

(1) add definitions for "recovered materials" and "recovered materials manufacturing facility";

(2) revert the definition of "recycled materials manufacturing facility" to the definition in current law;

(3) provide that the exemption to the State's renewable portfolio standards that currently applies to recycled materials manufacturing facilities would also apply to recovered materials manufacturing facilities, beginning on January 1, 2024.

FISCAL IMPACT:

This bill is not certified as requiring a fiscal note.