

[First Reprint]

**SENATE, No. 2804**

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**STATE OF NEW JERSEY**  
**219th LEGISLATURE**

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INTRODUCED AUGUST 10, 2020

**Sponsored by:**

**Senator BOB SMITH**

**District 17 (Middlesex and Somerset)**

**Senator LINDA R. GREENSTEIN**

**District 14 (Mercer and Middlesex)**

**Senator TROY SINGLETON**

**District 7 (Burlington)**

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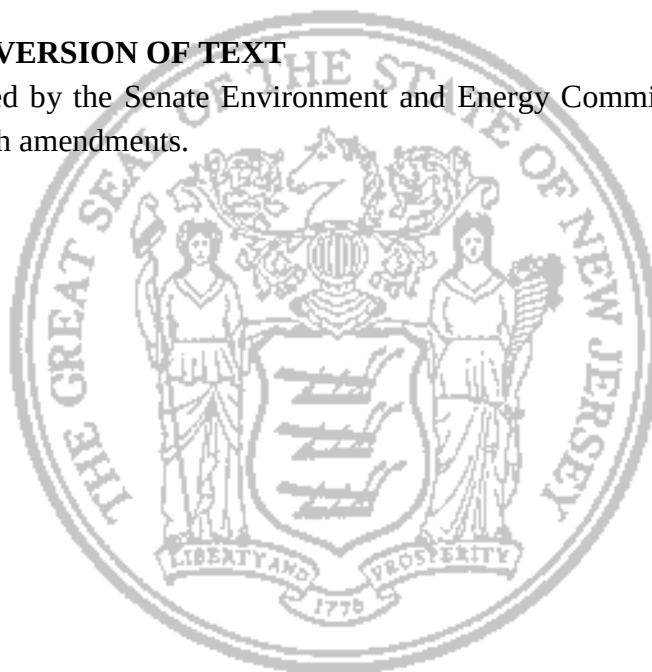
**Senators Diegnan, Addiego and Pou**

**SYNOPSIS**

Requires BPU to conduct certain analysis and comparison study of electric transmission grid operating in New Jersey.

**CURRENT VERSION OF TEXT**

As reported by the Senate Environment and Energy Committee on August 17, 2020, with amendments.



**(Sponsorship Updated As Of: 10/29/2020)**

1 AN ACT concerning an analysis and comparison study of the  
 2 electric transmission grid operating within this State and  
 3 supplementing Title 48 of the Revised Statutes.

4  
 5 **BE IT ENACTED** *by the Senate and General Assembly of the State*  
 6 *of New Jersey:*

7  
 8 1. a. The Board of Public Utilities shall conduct a study that  
 9 analyzes and compares the potential costs and benefit impacts of:

10 (1) withdrawing from the regional, high-voltage electric  
 11 transmission grid operated or managed by PJM Interconnection,  
 12 L.L.C., the independent system operator of that electric transmission  
 13 grid, and establishing an electric transmission grid that would operate  
 14 independently within the State;

15 (2) withdrawing from the regional, high-voltage electric  
 16 transmission grid operated or managed by PJM Interconnection,  
 17 L.L.C. and joining an electric transmission grid that operates within  
 18 the state of New York;

19 (3) remaining within the regional, high-voltage electric  
 20 transmission grid operated or managed by PJM Interconnection,  
 21 L.L.C.; <sup>1</sup>**[and]**<sup>1</sup>

22 (4) any other electric transmission grid option that the board may  
 23 consider to be in the best interest of ratepayers of the State <sup>1</sup>; and

24 (5) utilizing the fixed resource requirement alternative to satisfy  
 25 the State's resource adequacy needs and accelerate achievement of the  
 26 State's clean energy goals<sup>1</sup>.

27 b. Within one year after the date of enactment of P.L. ,  
 28 c. (C. ) (pending before the Legislature as this bill), the board  
 29 shall submit a written report to the Governor and, pursuant to section 2  
 30 of P.L.1991, c.164 (C.52:14-19.1), to the Legislature concerning the  
 31 results of the study conducted pursuant to subsection a. of this section.  
 32 In conducting the study, the board shall consider each option with  
 33 regard to:

34 (1) the costs and benefit impacts to ratepayers, including  
 35 residential and State and local government customers; and

36 (2) the costs and benefit impacts on renewable energy production,  
 37 energy storage, and distributed electric generation in the State.

38 With regard to the first two and the fourth options studied pursuant  
 39 to subsection a. of this section, the board shall study the costs and  
 40 benefit impacts on any necessary physical or structural changes to the  
 41 electric transmission or distribution infrastructure or systems within  
 42 this State and any necessary regulatory approvals needed for these  
 43 physical or structural changes.

44 c. The written report shall:

45 (1) summarize the results of the analysis and comparisons

**EXPLANATION** – Matter enclosed in bold-faced brackets **[thus]** in the above bill is  
 not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

<sup>1</sup>Senate SEN committee amendments adopted August 17, 2020.

- 1 conducted pursuant to subsection a. of this section;
- 2 (2) discuss and quantify the potential costs and benefits associated
- 3 with each option, pursuant to subsection a. of this section; and
- 4 (3) rank the options, pursuant to subsection a. of this section, from
- 5 the most suitable and beneficial for the State to the least suitable and
- 6 beneficial for the State.
- 7 d. In conducting the study required by subsection a. of this
- 8 section, the board shall consult with stakeholders, including, but not
- 9 limited to, electric power suppliers and electric public utilities, as
- 10 defined pursuant to section 3 of P.L.1999, c.23 (C.48:3-51), the
- 11 Federal Energy Regulatory Commission, the North American Electric
- 12 Reliability Corporation, and public and private entities within and
- 13 without the State that have conducted studies on the operation of, or
- 14 otherwise concerning, electric transmission grids.
- 15
- 16 2. This act shall take effect immediately.