

SENATE ECONOMIC GROWTH COMMITTEE

STATEMENT TO

SENATE, No. 3593

with committee amendments

STATE OF NEW JERSEY

DATED: DECEMBER 9, 2021

The Senate Economic Growth Committee reports favorably and with committee amendments Senate Bill No. 3593.

As amended and reported, this bill requires the New Jersey Economic Development Authority (authority), in consultation with the Board of Public Utilities (board) and the Department of Environmental Protection (department), to develop a request for proposal (proposal) for the purpose of determining eligibility for the establishment of a demonstration program (program) involving the development of distributed energy resource microgrids (microgrid) at six regionally diverse locations within the State for fleet and medium and heavy-duty electric vehicle use. The proposal requires that there be at least one microgrid located within the service territory of each electric public utility operating within this State. The proposal is to describe, in detail, the provision of the establishment of microgrids for fleet and medium and heavy-duty electric vehicle charging that is capable of supporting very high, coincident peak vehicle electric load.

The authority is to establish guidelines for its approval, designation, operation, reporting, and re-designation of the program in a manner determined by the authority. The authority may approve more than one program application, provided that the total number of approved applications is to result in a microgrid being established at six locations within the State. The authority, in cooperation with the board and the department, is to oversee, coordinate, and provide assistance to the program.

Under the bill, the proposal is to require an applicant intending to establish a program to submit to the authority certain information as described in the bill. The proposal issued by the authority is to give preference to applications: 1) located within a brownfield; 2) providing an environmental justice net public benefit within a low-income, urban, or environmental justice community; 3) providing job creation and job training potential for disadvantaged persons; and 4) resulting in an expansion of the State's manufacturing base for an emerging clean transportation economy, and demonstrating a collaboration with a State-certified educational training entity.

Upon the approval by the authority of an application to conduct a program, the authority is to require the approved applicant to enter into an agreement with the authority that is to contain certain information as described in the bill.

The authority is to bi-annually report to the department and the board on the progress made by an approved applicant in establishing a program. The authority is to annually post the information from these reports on the authority's Internet website. The board is to incorporate any applicable information on the establishment of a demonstration program in the State's Energy Master Plan or update to that plan. The authority is to report, five years after the effective date of the bill, to the Governor and the Legislature, on the results of the establishment of the program and post a copy of that report on the authority's Internet website.

The bill authorizes the authority to seek and accept gifts, donations, grants, or loans from private or public sources, including, but not limited to, any federal funding to be provided for the purposes of the demonstration program, except that the authority is not to accept a gift, donation, grant, or loan that is subject to conditions that are inconsistent with any other law of this State.

The committee amended the bill to make proper reference to the law authorizing the creation of the New Jersey Economic Development Authority and make additional grammatical changes.