

SENATE ENVIRONMENT AND ENERGY COMMITTEE

STATEMENT TO

SENATE, No. 336

with committee amendments

STATE OF NEW JERSEY

DATED: FEBRUARY 10, 2022

The Senate Environment and Energy Committee favorably reports Senate Bill No. 336, with committee amendments.

This bill, as amended by the committee, would establish the Office of Clean Energy Equity (“office”) in the Board of Public Utilities (BPU). The office would be charged with promoting, guiding, and overseeing the equitable deployment of clean energy, energy efficiency, and energy storage programs and technologies in overburdened communities, and the equitable provision of the tangible benefits of clean energy, increased energy efficiency, and energy storage at the household and community level, including clean energy asset ownership, energy cost savings, and employment and economic opportunities, to overburdened communities. The bill would require the BPU to: (1) establish onsite solar or community solar programs, which benefit 250,000 low income households or 35 percent of the low income households in the State, whichever is larger, by 2030, with the goal of reducing these households’ average energy burden to below six percent of household income; and (2) require the establishment of a minimum of 1,600 megawatt hours of energy storage to benefit overburdened communities by 2030.

In addition, the BPU, in cooperation with the office, would be required to: integrate workforce development training into all clean energy and energy storage programs established by the BPU; provide outreach and recruitment campaign grants to community-based organizations to increase participation in clean energy and energy efficiency programs; develop, in coordination with community-based organizations, outreach materials in multiple languages; appoint a community liaison and establish an advisory board consisting of representatives of overburdened communities to review and evaluate the clean energy and energy storage programs available to overburdened communities; and coordinate with the Department of Labor and Workforce Development (DLWD) and the Department of Community Affairs (DCA) concerning their responsibilities pursuant to sections 2 and 3 of the bill.

The bill would require the BPU to direct no less than 10 percent of the BPU’s annual total clean energy budget, or at least \$50 million annually, whichever is greater, to the office for the purposes of the bill.

The BPU would be authorized to allocate additional funding, staff, and resources to the office as it determines appropriate.

In addition, the bill would require the DLWD, in consultation with the office and the New Jersey Economic Development Authority, to establish a program to provide grants to community-based, diversity-focused nonprofit organizations, community colleges, and vocational-technical schools to develop solar energy or clean energy paid workforce training programs that provide training to at least 2,500 individuals from overburdened communities by 2025. Under the bill, the DLWD would require, as a condition of a grant award, that the programs be updated every two years to ensure that they prepare participants adequately for the current job market in the solar energy or clean energy industry. The bill would also direct the DLWD, in coordination with community-based organizations, to develop programs to provide entrepreneurial training, mentoring, apprenticeships, investment capital, loans, or other training, capacity building, technical, and financial support to residents of overburdened communities to help launch new clean energy enterprises or establish careers in the clean energy workforce.

The bill would also direct the DCA, in consultation with the office, to require the all new construction located in an overburdened community be solar ready, subject to any specific exemptions that the DCA and the BPU deem reasonable and necessary and that the DCA adopts as rules and regulations. The bill would also require the DCA to give preference to applications for onsite, community solar, energy storage, or other clean energy projects that are sited in overburdened communities or include minority or women-owned businesses.

Lastly, the bill would amend the law establishing the Community Solar Energy Pilot Program to require that the eventual permanent community solar program provide for access to solar energy projects for low and moderate income customers, in accordance with the requirements of the bill. The bill would also require that the permanent community solar energy program be established by rule or regulation no later than the date on which the BPU adopts rules and regulations establishing a permanent successor to the solar renewable energy certificate (SREC) program pursuant to P.L.2021, c.169 (C.48:3-114 et al.). In addition, the bill would require that the permanent community solar program be consistent with any land use provisions of the permanent successor to the SREC program.

The committee amendments to the bill:

- (1) clarify the definition of "solar ready" in section 3 of the bill; and
- (2) update certain statutory references in section 4 of the bill.

This bill was pre-filed for introduction in the 2022-2023 session pending technical review. As reported, the bill includes the changes required by technical review, which has been performed.