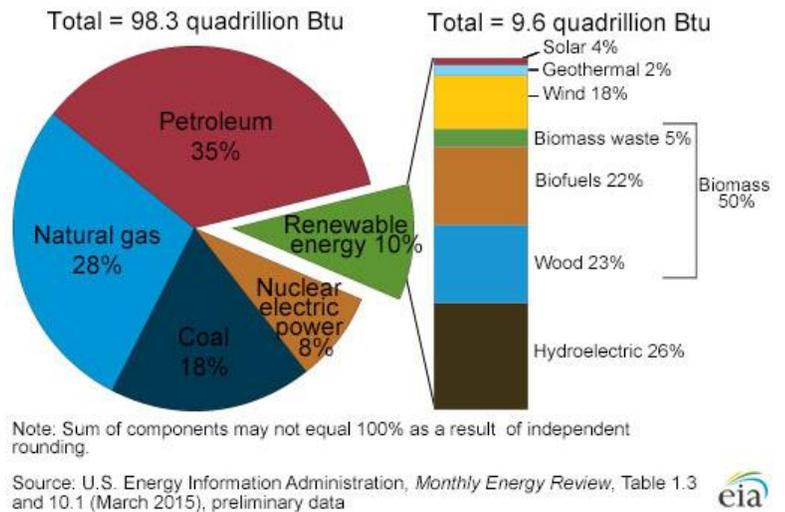


ENERGY – Top Policy Issues

Electric Transmission System Upgrades:

Upgrades will add additional electric transmission capacity to the existing transmission system and will help meet future demand. At the same time, the upgrades will address potential reliability issues that have been identified on the current system. Projects that focus on reliability improvements and replacement of aging infrastructure are needed. NJ SEED supports the upgrade and expansion of our electric transmission and local distribution networks, such as the Bergen-Linden Transmission Corridor Upgrade, to meet the growing demand for electricity, to insure reliability and to provide the opportunity for new renewable sources of electric power to reach consumers.

U.S. energy consumption by energy source, 2014



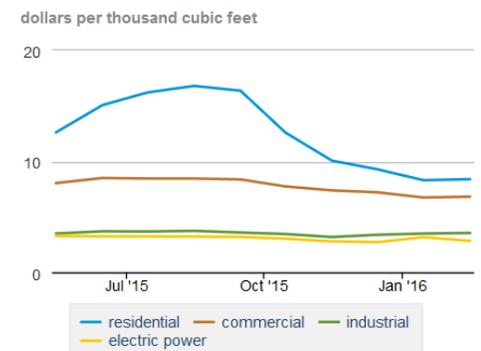
The future of our electric grid: The future electric grid must be in a position to meet all the various challenges: 1) Continue to be safe and reliable while maintaining greater resilience to hazards of all type – extreme weather events, cyber and physical security, 2) Increased sustainability through additional clean energy and energy-efficient resources, 3) Address aging infrastructure.

NJ SEED urges New Jersey’s Congressional delegation to ensure that Congress, the administration and the FERC pursue policies consistent with these principles. NJ SEED believes it is crucial that we begin working immediately on upgrading our energy infrastructure and developing clean, affordable sources of generation to replace Oyster Creek’s output so we are prepared when the facility closes in four years. NJ SEED believes that strong federal policy is needed to insure that inter/intrastate transmission lines are planned, sited and upgraded to meet the increasing demand for electricity in the years ahead.

Expanded Pipeline Infrastructure: Natural Gas pipelines, proposed throughout the state will allow replacement plants to run on the cleaner and less polluting natural gas. Additionally, the influx of natural gas will benefit consumer and businesses alike as the prices drop due to increased supplies.

NJ SEED commends the senate for passing S.2276 - the SAFE PIPES Act which provides enhanced safety in pipeline transportation. NJ SEED would also like to thank Senator Cory Booker for sponsoring the act. The coalition urges the house delegation to support it as well. NJ SEED also supports S.2012 - Energy Policy Modernization Act of 2016, and H.R.8 - North American Energy Security and Infrastructure Act of 2015 have each passed their respective houses now need to be resolved. NJ SEED supports these critical bills as they are important to keep our economy moving as well as adding to our strategic safety.

U.S. average consumer price of natural gas



Source: U.S. Energy Information Administration

NJ SEED supports efforts to reduce emissions from large stationary sources, including power plants and manufacturing facilities. NJSEED supports requirements of stationary sources to run control systems to help reduce emissions that impact our air quality.

New Alternative Generation: NJ SEED supports the federal government’s action in developing new, cleaner forms of energy. Off-shore wind while providing additional revenue for the state will also provide New Jersey with an industry of innovation as well as a model of future growth across the country.

ENERGY – Top Policy Issues

NJ SEED urges the congressional delegation to ensure that Congress, the administration, and the EPA provide regulatory certainty, long-term tax incentives and a streamlined review process for any federal permitting of new alternative and renewable energy in New Jersey, particularly in regards to the proposed offshore wind projects.

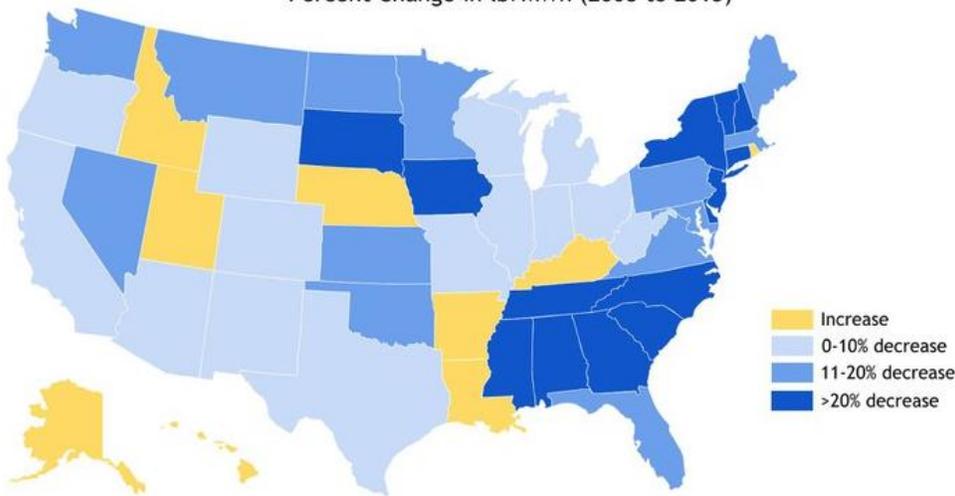
New Nuclear: With the demand for electricity in the United States continuing to grow, NJ SEED supports tax incentives and loan guarantees to aid in the construction of additional nuclear power plants approved by the Nuclear Regulatory Commission to maintain a diverse portfolio of generating resources. NJ SEED urges Congress to work with the Administration to resolve problems inhibiting the use of the loan guarantee program established in 2005 and to ensure full funding for the SMR development program.

Regulatory Excess Can Threaten the U.S. Nuclear Energy Fleet: NJ SEED encourages the New Jersey Congressional Delegation to work collaboratively with regulatory agencies and to ensure that unnecessary regulatory obligations are not placed on U.S. nuclear plants.

Environmental Regulations – Reducing Air Emissions: From 2001-2012 New Jersey reduced CO₂ emissions from its power sector by 33%, more than the 30% reduction EPA has set as the 2030 goal for the entire nation. New Jersey's stationary sources have reduced emissions while trying to remain competitive with dirty facilities to the west of us. Prevailing west-to-east winds carry air pollution from neighboring states into New Jersey, complicating state efforts to comply with federal air quality standards. Modeling by EPA suggests that transported air pollution accounts for much of New Jersey's air pollution.

State-by-State Change in CO₂ Emission Rate

Percent Change in lb/MWh (2008 to 2013)



Source: Benchmarking Air Emissions reports 2008-2015. Learn more and download the 2015 report at www.ceres.org/airemissions.

gas, renewable energy and energy efficiency. In addition, 52 percent of New Jersey's power is generated by carbon-free nuclear energy.

EPA's Clean Power Plan: New Jersey's prior reductions are not given credit under the 111(d) Rule. The Clean Power Plan also fails to credit renewable energy sources and increases in nuclear power plant capacity developed before 2013. Despite being a highly industrialized and densely populated state, New Jersey already has the fifth lowest carbon emission rate in the nation, according to the U.S. Energy Information Administration. This is due in large part to the state's aggressive efforts over the years to replace coal, the nation's single biggest source of carbon emissions, with cleaner natural

Implementation of the Clean Power Plan places unrealistic demands on states and will be extremely costly, resulting in higher costs for electricity. NJDEP has said that the proposed rule is "fundamentally flawed," and it "punishes states, including New Jersey, which have already taken significant steps to reduce their CO₂ emissions." The NJDEP added that the plan "will burden the citizens of our state with unjustifiable increases in electricity costs while also complicating New Jersey's efforts to make further reductions in carbon emissions."

The Cost of Doing Business: NJ SEED supports a balanced energy policy that includes efficiency, conservation, diversity and expanded domestic energy supply. Of paramount importance to New Jersey residents, businesses, and the state of U.S. economy as a whole, is access to a reliable, affordable supply of energy.